

J. B O R O V I Č K A

T E N Y E A R S

O F C Z E C H O S L O V A K

P O L I T I C S

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I.

THE FOUNDATION OF THE STATE

WHEN the Czechoslovak National Committee in Prague proclaimed on October 28th, 1918, the independence of the Czechoslovak State, it gave expression by this revolutionary act to the unanimous will of the Czechoslovak nation which had of late been frequently manifested in an absolutely clear and indisputable manner. The National Committee was the supreme organ of the home revolutionary movement and was recognized by the entire nation; it included representatives of all the political parties and was supported in political affairs by all the nation-conscious elements. The National Committee possessed the right to speak in the name of the Czechoslovak people. The declaration of Czechoslovak independence in Prague (the centre of the territory inhabited by the Czechoslovak nation) was the completion of the efforts which Czechoslovaks had been making in the countries of the Entente from the outbreak of the War. Prior to October 28th quite extraordinary successes in the field of world politics had been attained by the revolutionary organization of the Czechoslovaks working abroad, namely, the Czechoslovak National Council in Paris; on October 14th this body had constituted itself as the Provisional Czechoslovak Government and had been recognized as

such by the Entente. Consisting of the leaders of the Czechoslovak revolutionary movement abroad (Masaryk was Prime Minister and Minister of Finance, Beneš was Minister of Foreign Affairs and of the Interior, and Štefánik was Minister of War), this foreign Government was, of course, in a position similar to that of the Serbian and Belgian Governments at that period: it possessed no jurisdiction over its own territory. By proclaiming in Prague the independence of the Czechoslovak State, the National Committee had in mind precisely this object of seizing the real power on Czechoslovak State territory. Thus on October 28th the home and foreign revolutionary movements fused into one, for the leaders at home acted in accordance with the general desires of the émigré leaders, although they did not yet know exactly everything that had been achieved abroad.

The independent Czechoslovak State, then, entered into existence. A nation, a territory and a Government—everything existed that was necessary for the formation of the new State; here also were heroic deeds, such as have always lain at the foundations of the winning of national freedom.

There was no disputing the fact that the Czechoslovak nation considered its destiny to lie in the formation of an independent State. Yet the territory of the new State was inhabited also by people other than Czechoslovaks, and thus there immediately arose the question as to the extent

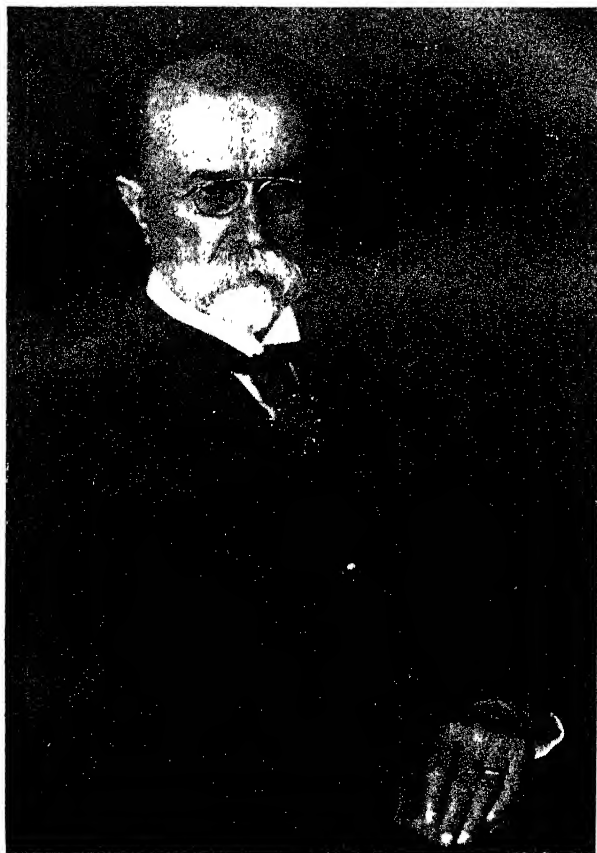
of territory which would recognize the Prague Government

In Prague there was no doubt that the new State would include all the lands of the former Crown of Bohemia (Bohemia, Moravia and Silesia), the regions which from the beginning of history had been inhabited by the Czech people; these regions in the early Middle Ages had been welded in peace and in war by the native dynasty into a powerful Central European State, and in spite of all disasters and Germanization had preserved their Czech character and remained the only homeland of the Czech people. This territory was a natural geographical formation, and a centuries-old development clearly delimited the frontiers of the lands to which the Czech nation had a historical right. According to the general view of the Czech people, it was a question only of a restoration of the old Czech State.

The question of the frontiers of the other part of the Empire, where for centuries past the Slovak branch of the nation had been living a separate existence, was not so clear. History had not created Slovakia as an independent State form or even as an administrative area which might be deemed needful for a new State on a historical basis, and the ethnographical boundaries were not sufficiently clearly delimited to form satisfactory frontiers. In this respect Slovakia resembles the rest of Central Europe where various ethnical units are in-

termingled and do not form sharply defined separate wholes.

But resistance arose against the Prague Government not only in Hungary in view of the claims of the new State to the Slovak territories, but also amongst the Germans settled in the Czech historic lands. The German politicians in the Czech lands did not accept the national revolution of October 28th as a permanent fact, and interpreting Wilson's stipulations in their own favour, they claimed the right of self-determination for the districts inhabited by the Germans and demanded their union with Austria; the German and Germanized districts of the Czech lands were to be autonomous provinces of the new Austrian Republic. Thus during the first days of the national revolution Deutschböhmen and Sudetenland were formed into independent administrative entities, and a little later two smaller districts were joined to them, making in all four administrative units. Together these provinces formed about one third of the historic lands, but territorially they were not connected and for the most part they were not linked even with the State of which they claimed to be a part. This was, of course, the great drawback of the entire German attempt, against which operated not only the development of several centuries but also the numerous economic relations between the Czech and German parts that formed together a self-sufficing whole. In general, the



*T. G. Masaryk,
President of the Republic.*

German resistance was only a continuation of the German policy in Austria which during the War had brought about an administrative disintegration of Bohemia. Hence the Prague Government did not recognize the existence of these Austrian provinces. It acted thus, in full consciousness of the historical right of the Czechoslovak nation to all the Czech lands in their entirety, but it based its action also on the international recognition of the Czechoslovak State and on the promise of France to obtain for the new State its historical frontiers on the occasion of the final adjustment of Central Europe.

No great efforts, however, were required in order to make valid the Czechoslovak juridical view. The Austrian Republic, which had declared its sovereign rights to these provinces, could not provide them with assistance, and thus the Prague Government was able gradually and circumspectly to carry out the occupation of the German districts even with the insignificant military forces which were at its disposal; in the mixed territory the local Czech revolutionary committees which were formed *ad hoc*, generally sufficed of themselves to ensure the recognition of the authority of Prague. The leaders who had formed a Counter-Government were obliged to flee the country, and no popular movement of resistance arose either then or afterwards. The occupation of the German districts bore the character of an administrative

measure rather than of a subjugation of an insurgent territory, and the supreme authority of Prague within the old frontiers was henceforth fully recognized. The conflicts which afterwards arose here and there with the State power were not greater than those occurring elsewhere in that disturbed period. After the middle of December, when the occupation was completed, the question of the German enclaves in the Czech State was settled and caused no further difficulties to the Government; the idea of an independent Deutschböhmen was seen to be entirely illusiory. The international juridicial settlement, which Austria attempted to secure in its own favour, was effected at the Peace Conference when the new frontiers of Central Europe were delimited.

The authority of the new Government was denied in another corner of Czechoslovakia—in the Těšín (Teschen) district which for 600 years had formed part of the Czech lands—the resistance on this occasion coming from the Poles who, like the Czechoslovaks, were an Allied nation. Even before the War there had been a conflict between the Czechs and the Poles as to the nationality of the population in this frontier district, but of course the dispute had been of a peaceful character. Prior to the end of the War the responsible politicians on both sides, both at home and abroad, had endeavoured to settle the dispute by peaceful methods in order that the two States might enter

post-War conditions as good neighbours. These endeavours, however, had met with failure. After the disintegration of Austria-Hungary the Poles, who relied upon their military preparedness, occupied in the first days of November almost the whole of the Těšín district, and thus a great part of the coal output of Czechoslovakia fell into the hands of Poland. The Prague Government could not recognize, of course, a *fait accompli* of this nature, and towards the end of January, 1919, recovered by military intervention parts of the disputed territory. The Peace Conference put an end to the war between the two Allied countries, laid down a line of demarcation, and reserved to itself the final decision; a part of the Těšín district was left in the hands of the Poles, and the disputed territory was placed under international control. Although this was only a provisional settlement, the historical right of the Czechoslovak State to the Těšín district had thereby been authoritatively denied; if other reasons are brought forward, it will be possible, therefore, to change at a conference the frontiers fixed by a development lasting for several centuries.

If the recognition of the Prague revolutionary Government caused certain difficulties in the historical lands, the authority of Prague over Slovakia met with still greater difficulties; during the first days of the national revolution Prague was obliged on account of Slovakia to conduct a

struggle which six months later developed into a war.

It was not by chance that the proclamation of October 28th contained the signature of one of the leaders of the Slovak people (Šrobár). Two days later the political leaders in Slovakia manifested quite clearly their will to form a common Czechoslovak State (Declaration of Turč. Sv. Martin, dated October 30th), but they had no strong basis of organization amongst the Slovak people, whose assistance would have rendered peaceful the transference of power from Hungary to the new Czechoslovak State. The ruling classes in Hungary did not reconcile themselves to the idea that the losing of the War meant the end of the overlordship of the Magyars over the other nations inhabiting Hungary, and were sufficiently strong to attempt to maintain the integrity of the Kingdom of St. Stephen even after the War. The conditions of the Armistice and its Magyar supplement (the Belgrade Convention) aroused hopes of success. Thus the endeavours of Prague to establish in Slovakia the new Czechoslovak régime met with the determined opposition of the Budapest Government which possessed considerable armed forces for the defence of its standpoint. The part of Slovakia which during the first days after the national revolution had been taken over by the Czechoslovak authorities was again lost, for Prague was absolutely unable to cope with the

Magyar military forces. Its only weapon, so to speak, was the recognition of the Czechoslovak State by the Entente. In this difficult period, when Slovakia fell a victim to confusion and to the restoration of Magyar rule, the power of international obligations manifested itself, and owing to his diplomatic skill the Czechoslovak Foreign Minister succeeded in persuading the Supreme Allied Command to lay down a line of demarcation between Hungary and Czechoslovakia; in the main this line constituted the frontier which was finally accepted by the Peace Conference. The Budapest Government yielded to the pressure of the Entente (towards the end of December, 1918) and evacuated Slovakia; the Slovak districts were gradually taken over by the Czechoslovak authorities, in proportion as the Legionaries returned from Italy and strengthened the Czechoslovak régime. On January 1st, 1919, there took place the occupation of Bratislava (Pressburg) which on February 4th became the seat of the Government authorities who had been sent from Prague for the administration of Slovakia.

The German question in the Czech lands had been definitely settled by the occupation of the territory, but the case was different in Slovakia. Here the Magyars did not reconcile themselves to the new state of affairs and did not await peacefully the final decision of the Peace Conference, but endeavoured in every way to make difficulties

for Czechoslovak rule in Slovakia. The Hungarian Government strove to keep alive the idea of the integrity of Hungary and in this had many helpers; nearly all the members of the *intelligentsia* and the ruling and wealthy classes together with the bureaucracy were Magyars, who supported very intensively the endeavours of the irredentists, and fostered discontent among the masses of the population. Hence quiet development did not ensue in Slovakia, and heavy sacrifices were necessary before the blessings of peace could be felt in these regions.

The authority of Prague, then, was asserted gradually and with certain difficulties on the territory which was to form the Czechoslovak State. The leaders of the national revolution of October 28th were not lacking in courage when, surrounded by enemy bayonets, they proclaimed Czechoslovak independence, but in the first period they did not possess sufficient power to enforce obedience to their orders. The Czechoslovak State was not organized at home on a military basis, and yet it was in desperate need of armed forces in order to enforce its will and protect and maintain its newly gained freedom. At the time of its birth the war on the Western front was still being waged with full fury, and in the weeks which followed the collapse on the war front public order was shaken to its foundations; the confusion which accompanies the revolutionary origin of new

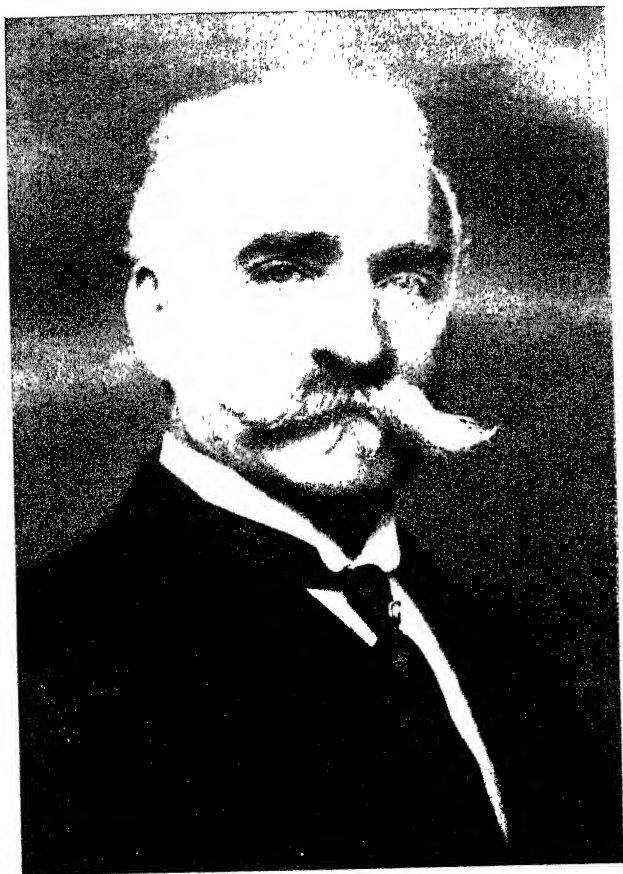
States threatened to overwhelm all the peoples of the former Austro-Hungarian Empire. What power could protect the weakly organism of a young State in a period of storm?

Thanks to the Czechoslovak revolutionary leaders abroad, the Czechoslovak State possessed at the time of its birth three remarkable armies composed of men who had voluntarily taken up arms in order to win State independence, and these national armies had performed on the battlefield heroic deeds which had made the Czech name famous through the world. But at this period these national forces were stationed in France, Italy and in the neighbourhood of the Urals. They moved side by side with the Allied troops on the French battlefields in the victorious march to the German frontiers; on the Italian front they witnessed the disorderly flight of the Austrian and Hungarian troops, and on the boundary between Europe and Asia they withstood the onset of the Red army. To the Government which had just been formed in Prague they could give, of course, only moral support; in the first difficulties actual assistance was provided only by the Legionaries from France and Italy when they began to return to their native country at the end of 1918.

Up to that time the first Czechoslovak Government had been obliged to rely on the Czechoslovak citizen guards who were organized in local national committees in order to take over the State

power, on military volunteer organizations, and on the Sokols. It could depend upon its officials who had been trained at home and in the government offices in Vienna and who carried on the State administration without interruption. Matters were most serious with the army. In hundreds of thousands the soldiers of the former Monarchy were returning in disorder to their homes, demoralized by suffering and defeats. The soldiers of the former Austrian army who were at the disposal of the Czechoslovak Government at home were not at first of any great fighting value. Amongst the Austrian officers there were only a few nation-conscious Czechs who offered their services to the new State in the first hour. To these fell the difficult task of organizing a Czechoslovak army from the very beginnings, so to speak, and on new foundations.

Hence the greater were the hopes that were placed in the Peace Conference at Paris which had to give the final decision in all the disputed questions, guarantee peace, and provide Europe with a new régime. The preparations, however, for this world assembly of diplomats were prolonged, and it was not until the second half of January, 1919, that the Conference was opened. The chief Czechoslovak delegates were the first Prime Minister, Dr. Kramář, and the first Foreign Minister, Dr. Beneš, to whom the young State owed a number of important diplomatic successes and to



*František Tomášek,
President (Speaker) of the National Assembly and of the
first elected Chamber of Deputies.*

whose experienced hands the Government entrusted with confidence the defence of the State interests; he had at his disposition experts in all branches.

According to the order of the day, Czechoslovakia belonged to the so-called group of States with special interests. The deciding voice at the Conference pertained, however, to the States with general interests, the Great Powers; everything depended, therefore, on the smaller States convincing the representatives of the Great Powers as to the justice of their claims.

Like the other newly constituted States, Czechoslovakia was concerned above all with the question of the delimitation of frontiers. The Paris Conference did not accept the principle of historical rights as the only criterion for the fixing of the new frontiers; this principle was considered, indeed, but attention was paid also to economic, geographical, ethnographical and other factors. It was necessary with all these arguments to support the territorial claims of the Czechoslovak State before Commissions which examined the questions with a view to a definite decision, and before the supreme tribunal of the Conference.

The frontiers between Czechoslovakia and Germany did not cause any great difficulties. The Czechoslovak delegates demanded in the main the preservation of the old historical boundaries with some modifications; thus they proposed an ex-

change of the Cheb (Eger) district, that had long been inhabited by Germans, for a rectification of the frontier in Kladsko (Glatz) which up to the middle of the 18th century belonged politically to the Bohemian Crown, and linguistically had preserved Czechoslovak elements. At first the Conference did not oppose these changes which were based upon ethnographical factors, but in the end it insisted on the retention of the old historical frontier between the Czech lands and Germany. The only frontier rectification made was a small one in favour of Czechoslovakia in the proximity of Hlučín; thus the gain for Czechoslovakia from the Peace of Versailles represents a small territory (285 square kilometres) with a population of Silesian Moravians.

Similarly the old administrative boundaries were in the main retained as the frontiers between the new Czechoslovak and Austrian States. In favour of Czechoslovakia only two small rectifications of an economic character were made: on the basis of the Peace of Saint Germain Czechoslovakia obtained the railway junction of Čmunt and both banks of the river Dyj near Poštorná and Valčice; in both cases the deciding factors were also historical and ethnographical.

The delimitation of the frontiers of Slovakia was much more complicated. Towards the end of the year 1918 Dr. Beneš succeeded in persuading the Allies to fix a line of demarcation as a pro-

visional frontier for Slovakia (the Danube as far as the confluence of the river Ipola, the Ipola as far as Rimavská Sobota, thence to the confluence of the river Už and along the Už upstream as far as the old Hungarian-Galician boundary). At the Conference the Czechoslovak delegates put forward rather bigger territorial claims against old Hungary by demanding Slovakia as a geographical whole.

In addition to the frontiers of Slovakia, negotiations were conducted regarding the delimitation of the frontiers of Carpathian Ruthenia and the joining of this territory to Czechoslovakia. Its incorporation in the Czechoslovak State could not of course be justified either by historical or by ethnographical arguments. It was a country to which the Czechoslovak nation had never made any political claim, and it was inhabited by people who were indeed Slavonic but different from the Czechoslovak both linguistically and ethnographically. The idea of this union was not started by the Czechs but arose among the Ruthenian Americans, who desired to save the Carpathian Ruthenians of Hungary from the national extinction that awaited them under the ruthless régime of Magyarization, and who in their movement of emancipation sought assistance from the Czechoslovaks as a related Slavonic people whose State was to border on Carpathian Ruthenia. The aim of the movement was autonomy with the guaran-

tee of free national development; there was no thought of the establishment of an independent State. In America the idea of an autonomous Carpathian Ruthenia was connected with the activity of the Central European Democratic Union, in which Masaryk endeavoured to organize the Central European émigrés for the support of the struggle for freedom in the old home country. The Ruthenian leaders in America secured the help of President Wilson, and when in Hungary there was clearly manifested a movement on behalf of the autonomy of Carpathian Ruthenia within the Czechoslovak State, the Czechoslovak forces that already held Slovakia occupied Carpathian Ruthenia in the spring of 1919 with the exception of the eastern part which was in the possession of the Roumanians.

In the negotiations relating to the Hungarian frontier the line of demarcation fixed in December of the preceding year was, in the main, retained but before the final decision was reached, Czechoslovakia found itself at war with Hungary over the frontier question. During the Roumanian invasion of Hungary after the establishment of the Communist Government at Budapest, Czechoslovak troops occupied some places beyond the line of demarcation which was absolutely inadequate from the point of view of transport. The Red army used this incorrect action as an excuse for beginning a struggle (towards the end of May,

1919) for the recovery of Slovakia. Making a surprise attack on the Czech troops, the Reds not only drove them back over the line of demarcation but also seized nearly two-thirds of Slovakia and in June the advance guard of the Red army approached the capital, Bratislava. As at the end of the preceding year, the diplomatic intervention of the Allies was required in order to secure the retention of that which was nearly lost in the struggle. On June 8th, 1919, the Allies ordered the Hungarians to stop their attack, and shortly afterwards, having finally fixed the frontier between Hungary and Czechoslovakia, called upon the Budapest Government on June 13th to evacuate the Slovak territory; by the end of June the military conflict was already liquidated. The definitive frontier which was then proclaimed by the Peace Conference did not differ in the main from the line of demarcation laid down in the previous December, apart from the fact that attention was paid to the railway lines. The delimitation was thus included in the Peace Treaty of Trianon; in the actual delimitation the only considerable alteration was that made in the region of Šalgótarján in favour of Hungary by a decision of the Council of the League of Nations (1923).

In connection with Slovakia a decision was arrived at in Paris regarding the incorporation in Czechoslovakia of Carpathian Ruthenia as a self-governing territory. Its special position within the

framework of the Czechoslovak State was guaranteed by a treaty (10. IX. 1919) in which Czechoslovakia bound itself before the Great Powers to provide Carpathian Ruthenia with the widest measure of autonomy compatible with the unity of the Czechoslovak Republic.

At the Conference there still remained unsettled the question of the frontiers with Poland, for in the Těšín district there was only the provisional line of demarcation of February, 1919. The Peace Conference desired that the dispute should be settled by an agreement between the two Allied States, and indeed attempts were made to settle the matter by direct negotiations. This method, however, did not prove successful; each of the two States felt that the possession of the Těšín district and its coal wealth would affect its vital interests and consequently did not wish to yield; in addition, Czechoslovakia had put forward a juridical claim in view of the fact that the Těšín district had formed part of the territory of the Bohemian Crown. Finally the Conference ordered a plebiscite to be held in order to ascertain the desires of the Silesian population. But the preparations for the plebiscite only served to increase the discord and show up the disadvantages of this method of settlement. Therefore the two sides agreed that the Allies should act as arbitrators, and thus the decision was given on July 28th, 1920, whereby the eastern part of the Těšín district was assigned

to Poland, whilst Czechoslovakia retained the entire railway line (Bohumín-Jablunkov) connecting the historical lands with northern Slovakia, and a considerable portion of the coal fields. For Czechoslovakia this settlement was more advantageous than any of the previous proposals.

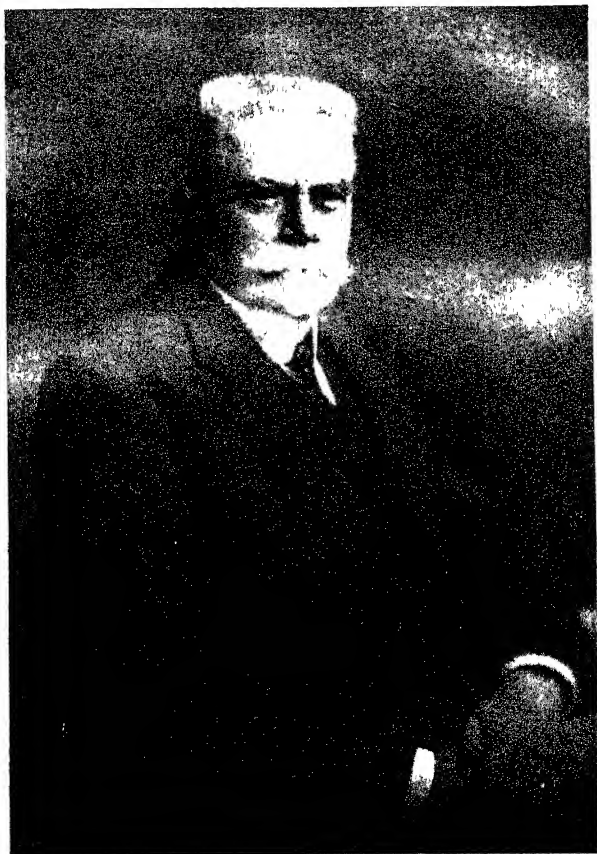
Together with the settlement of the frontier question in the Těšín district, the claims were granted which the Poles began on ethnographical grounds to bring forward at the Peace Conference in regard to Orava and Spiš in Slovak territory; here the frontiers were delimited in favour of Poland. The echoes of these frontier changes still remained, however, for a few years; it was a question of the details of the delimitation in the Javorina region, and the problem was finally settled in favour of Czechoslovakia in 1924.

The struggle over the frontiers of Czechoslovakia was settled in the main at the Peace Conference; they received international recognition in the Peace Treaties of Versailles, Saint Germain and Trianon. Czechoslovakia issued victorious from this struggle in spite of certain losses of territory in the historic lands in favour of Poland. For the first time in history, the entire Czechoslovak nation was united in an independent State with an area of 140,000 square kilometres and a population of 13,600,000. Before the War this had been the ideal of dreamers rather than of responsible politicians, who followed smaller and more concrete

aims. The World War, however, provided the opportunity for the realization of the integral national programme; moreover the incorporation of Carpathian Ruthenia, a new territory (12,694 square kilometres) which carried the State frontiers as far as the friendly country of Rumania, was more than any of the Czechoslovak politicians had expected. The independence of a Czechoslovak State of this extent was made possible only by the fall of the two central empires and by the able direction of a foreign policy which during the War and at the time of the Peace Conference combined the interests of the nation with the development of international political life.

It was not only with regard to territorial questions that the Paris Peace Conference was of fundamental importance for the new adjustment of conditions in Central Europe. The disintegration of the Habsburg Monarchy called forth a number of problems that had to be solved in the interests of further development immediately at the birth of the new States. The interests of the Republic were affected particularly by the questions of transport and finance.

Transport questions were very important for Czechoslovakia because their settlement at the Peace Conference helped in enabling the disadvantages of the inland position of the country to be surmounted at least to a certain extent. This was effected through the internationalization of the



*Dr Karel Kramář,
the first Prime Minister of Czechoslovakia.*

Elbe and the Oder, the participation of Czechoslovakia in the international Commissions dealing with the administration and navigation of the Danube, the Elbe and the Oder, and the securing of free zones at Hamburg and Stettin and of other advantages arising from the new organization of transport facilities in accordance with the Peace Treaties. A practical result of the Peace Treaties in respect of transport is seen in the establishment of the Czechoslovak navigation companies on the international rivers, the Danube, the Elbe and the Oder.

Whilst the settlement of transport questions at the Peace Conference brought certain advantages to Czechoslovakia, the Conference burdened the new State with considerable obligations in financial matters arising from the disintegration of the Habsburg Monarchy.

The Conference itself did not arrive at a decision regarding the question of war reparations to which Czechoslovakia made a claim as a State which had fought on the side of the Allies; a decision was reached later (1921) by the Reparation Commission which assigned to Czechoslovakia reparations not from the day of the recognition of the Czechoslovak national revolution by the Allies, but only from October 28th, 1918.

If this rather modest claim to reparations may be regarded as a certain success for Czechoslovak policy, in the negotiations relating to the other

financial questions the Czechoslovak delegates were obliged to regard as a success the fact that they secured a reduction of the burdens which the Great Powers desired to impose upon Czechoslovakia and upon the remaining Allied States that had arisen from the ruins of the former Monarchy. In the matter of reparation duties all these new States were to be placed on a level with the former enemies, even although they had contributed by their military assistance to the common victory; like defeated Austria and Hungary, they had to take over a certain proportion of the pre-War debt of Austria-Hungary; they had to pay into the common reparations fund an amount corresponding to the value of the State property and of the property of the imperial dynasty situated in their respective territories; finally they were obliged, together with their former enemies, to take over the banknotes of the Austro-Hungarian Bank. This view of the payment of reparations by all the heirs of the Habsburg Monarchy was accepted mainly owing to the influence of Italy who could obtain reparations only from the former Austro-Hungarian Empire and therefore endeavoured to increase their value as much as possible; but America and England also considered it just that all the States should bear an equal share of the war burdens and felt that the new States which had arisen on the territory of Austria-Hungary had not borne the full weight of the war expenditure

and would be at an advantage in comparison with the Great Powers which had emancipated them through their sacrifices in men and property.

Czechoslovakia and the other States concerned naturally resisted these demands of the Great Powers, and by common efforts succeeded in securing a substantial reduction of the financial burden that threatened them. Czechoslovakia, Yugoslavia, Roumania and Poland bound themselves to take over a proportionate share of the pre-War debt of Austria-Hungary, but they had no obligation regarding the War debt; the value of the State properties and of the imperial property they are obliged to pay with a certain reduction into the reparations fund. The said Succession States were freed from the obligation to pay compensation for war damage, but on the other hand the obligation was imposed upon them of making a so-called liberation contribution, the amount of which was fixed at one and a half milliards of francs; the proportion of this sum to be paid by the individual States will be in accordance with their respective financial capacity, but Czechoslovakia is not to pay more than 750,000,000 francs.

All these financial obligations laid down in principle by the Peace Treaties still await, however, their actual settlement; they depend on the question of inter-Allied debts generally. The final settlement of this question has not yet been reached, but nevertheless the financial peace obligations, which

have been juridically and clearly laid down, have stood in the background of the question of the State debt since the beginning of the existence of the Republic. The new State did not gain its freedom without paying the price.

II.

FROM CHAOS TO THE NEW ORDER

WHEN the news reached Prague of the capitulation of Austria-Hungary (Andrassy's Note of October 27th to Woodrow Wilson), the four members of the Presidium began early on October 28th to take over, in the name of the Czechoslovak National Committee, the Austrian State offices, and in the evening the Plenum of the National Committee proclaimed the independence of the Czechoslovak State; the signatories of this first law were Antonín Švehla, Jiří Stříbrný, Dr. Alois Rašín, Dr. František Soukup, and Dr. Vávro Šrobár of Slovakia. The other towns in the historical lands followed the example of Prague, and when the National Committee had overcome the first resistance of the Austrian garrison in Prague, it was master of the situation in the Czech regions within a few days and possessed sufficient resources to take energetic steps to safeguard the Government throughout the whole territory which it claimed for the Czechoslovak State.

The National Committee possessed the entire legislative and executive power. It had arisen under the Austrian régime in the summer of 1918 as the revolutionary organ of the real will of the nation; the Czech political parties sent to it their representatives according to the number of Depu-

ties in the pre-War legislative bodies and eminent persons in the scientific and literary world were co-opted, so that the National Committee was truly an all-national corporation. Owing to the political persecution in Hungary, Slovakia could be represented only occasionally in connection with various demonstrations, but from the first day of the national revolution in October 1918, Dr. Šrobár who looked after Slovak affairs was in Prague as member of the Presidium of the National Committee.

The National Committee did not proclaim the Republic on the very first day, but left this to the future National Assembly with the consent of the National Council abroad; the idea was held that the latter body might have undertaken certain obligations in this matter with regard to the Great Powers. Meanwhile, however, the Czechoslovak delegation with the President of the National Committee returned from Geneva, where it had reached an agreement on all questions with the National Council; these negotiations had taken place just at the time when the national revolution was carried out in Prague. In the succeeding days the international situation became clearer: the Habsburg Monarchy broke up into its national component parts which formed themselves into independent States, and on November 3rd an armistice was formally declared on the southern Front. The German Empire was shaken

to its foundations and ceased to be feared as a military Power. On November 11th Germany signed the Armistice; the victory of the Entente was complete, and nothing remained but to organize the victory.

The fourteen days of the Government of the National Committee passed in a feverish endeavour to regulate the chaotic conditions so that a regular constitutional life could be started. Thus on November 14th the National Assembly held its first session which was as unanimous in character as the national revolution itself; by reason of its absolutely bloodless and peaceful nature the revolution in fact resembled a solemn manifestation rather than a political revolution.

In the opening session of the National Assembly the Habsburg Dynasty was deprived of all its rights to the Bohemian throne, a Republic was declared, and T. G. Masaryk, the leader of the Czechoslovak revolutionary movement abroad was elected President. The Head of the Czechoslovak Provisional Government at Paris was, at the time of his election as President of the Republic, still in Washington and returned to Prague via England, France and Italy towards the end of the year (21. XII. 1918).

The Revolutionary National Assembly was the direct successor of the National Committee; it was the National Committee enlarged in the same manner and in accordance with the same ratio of par-

ties as those forming the original National Committee, to 256 and later to 270 members. This legislative body naturally contained Slovak representatives delegated on the basis of an agreement among the Slovak leaders. The National Assembly was elected not by the direct votes of the population but by an indirect method, i. e., through the various executive committees of the political parties chosen by the direct votes of the organized members of these parties. The first National Assembly was of one nationality, the Germans holding no seats in it. After the failure of the negotiations with the German political leaders in the first days of the revolution, the Germans of the historic lands adopted an attitude of resistance and sought the fulfilment of their national destiny outside the framework of the Czechoslovak State by excluding themselves from the building up of the State and from its Constitution. The attempt of the German regions to secede was brought to an end after the signing of the Peace of Saint Germain by a political amnesty. Then, however, there was no disposition on their side for co-operation in legislative activity which was approaching the end of its term. Thus the constitutional foundations of the Czechoslovak State were laid by the Czechoslovak nation itself which had been the originator of the revolution. The Germans did not enter the political life of Czechoslovakia until after the first general elect-



*Dr. Václav Šrobár,
the first Minister for Slovakia*

ions to Parliament in the spring of 1920, but under the influence of the watchwords of the period of their resistance they long pursued a purely negative policy

At the initial meeting of the National Assembly the first Czechoslovak Government was elected on the basis of the Provisional Constitution. Just as the National Committee had concentrated all the Czech political parties, so also the first Government was a Coalition Government of all the Czech parties and of the Slovak leaders. Naturally the two remaining Ministers of the Paris National Council (Dr. Eduard Beneš, for Foreign Affairs, and General Milan Štefánik, for War) were transferred with their functions to the Prague Government. The Prime Minister was Dr. Karel Kramář, leader of the National Democrat party (of the urban manufacturing and educated classes), which had played a prominent part in the home revolutionary movement. Dr. Kramář owed his election not so much to the strength of his party as to the eminent rôle he had played in Czech pre-War politics and above all to the prestige he enjoyed, for in 1915 he had been sentenced to death by the Austrian military authorities; his glory as a national hero had placed him at the head of the revolutionary National Committee. His deputy in the Cabinet Council was Švehla, the leader of the Agrarian party which was the strongest political group

in the National Assembly. During the latter part of the War Švehla had been behind the scenes in the home policy against Austria; while Kramář was attending the Peace Conference, Švehla was the leader in Czechoslovak home affairs. As Minister of the Interior, he played a prominent part in the making of the constitutional laws, skilfully negotiating an agreement between the various Czechoslovak political parties. Since that time Švehla's authority in the political life of Czechoslovakia has grown considerably; he has developed from a clever party-leader to a far-sighted statesman. The other parties also sent to the Government their foremost politicians, mostly experienced Parliamentarians and men who had won their spurs in the home revolutionary movement. Of the 17 members of the Kramář Cabinet 6 belonged to the Socialist Bloc (formed in the National Assembly as a tactical formation of the two Czech Socialist parties) and 9 belonged to the Bourgeois parties (4 Agrarians, 3 National Democrats, 1 Clerical and 1 Slovak — at that time the Slovak Deputies were organized in a Slovak Parliamentary Club —) a ratio that corresponded roughly to the number of seats. The two Ministers from the National Council were non-party and did not take any share in the actual work of the Cabinet, for Beneš remained throughout the whole period in Paris where he bore the main burden of the presentation of the Czechoslovak case at the

Peace Conference, and Štefánik, who at the beginning was in Siberia with the Czechoslovak Legionaries, was killed under tragical circumstances before he could occupy his position in the Prague Government (he crashed in an aeroplane accident just as he was returning to his native country, on May 4th, 1919).

The first Government was faced with the difficult task of organizing a new régime in the midst of the chaotic conditions caused by the War. All the belligerent States had to deal with post-War difficulties, but in the new States the difficulties were doubly great: with one hand it was necessary to build and with other to protect the work that had been started. The territory which the National Committee had taken over under its sovereignty was part of the defeated Monarchy and suffered from all the defects of a defeated country; the material connection with Austria and Hungary was a sad reality, for in the needs of everyday life the adherence of the new State to the Entente was for the time being only a theoretical factor and did not make its influence felt until later. The Czechoslovak Government had to overcome the initial difficulties by its own resources.

The resources, however, which remained in the possession of the Czechoslovak Government after the fall of the Habsburg Empire were very inadequate. The four years of war had caused great economic damage and had put nothing in its place;

during the War the entire economic system had been adapted to military needs, and after the War it was necessary to change the whole process of production. Yet practically everything was lacking that was required for this purpose. By the end of the War the fertile districts in the Czech lands were completely ruined although they had been spared the direct horrors of war; the population was without food and clothing; there was no raw material for industry and there were no new machines for the factories; the mines had been plundered, transport was in disorder, the currency was depreciated — everything that makes a modern State a State had been thrown out of gear, and unfortunately the minds of the people had been demoralized.

The initial task of the first Government was to provide the population with food and to safeguard the economic and financial foundations of the State. These seemed to be modest aims for a Government programme, but nevertheless these simple tasks (such as the feeding of the population, a duty with which in normal times the State does not concern itself or concerns itself only in the smallest degree) strained the State resources to the uttermost. The concentrated efforts of several Ministries and sometimes also the intervention of the Entente missions were necessary in order that the diminished stocks of food might be supplemented by imports from abroad; on many

occasions the Council of Ministers anxiously considered how to obtain in good time imports of rice or flour and looked ahead with uneasiness to the times when the payments of instalments were due, owing to the fact that there was an insufficiency of merchandise etc. to take the place of payment in foreign currencies. At that time the question of food-supplies was the most urgent of all and everything else depended upon its solution. Hence owing to the fact that the Czechoslovak Republic had taken over in the first period the economic system which had existed in the former Monarchy and was regarded as the obvious one for a period of transition (a Government-controlled system), the State, or rather the Ministry of Supplies, had the extraordinarily difficult task of seeing to the feeding of the population. The home production had fallen and was far from being sufficient to cover all the needs of the population; it was necessary to make purchase of food abroad. This could not be done, of course, without considerable loans which increased the difficulties of the Government, for the highly industrialized character of the State required that the Government should pay attention also to the interests of the manufacturing classes; moreover the ultimate aims of the financial policy of the State lay elsewhere than the demands of the policy of feeding the masses. In the matter of food-supplies the Government received effective assistance from the countries of

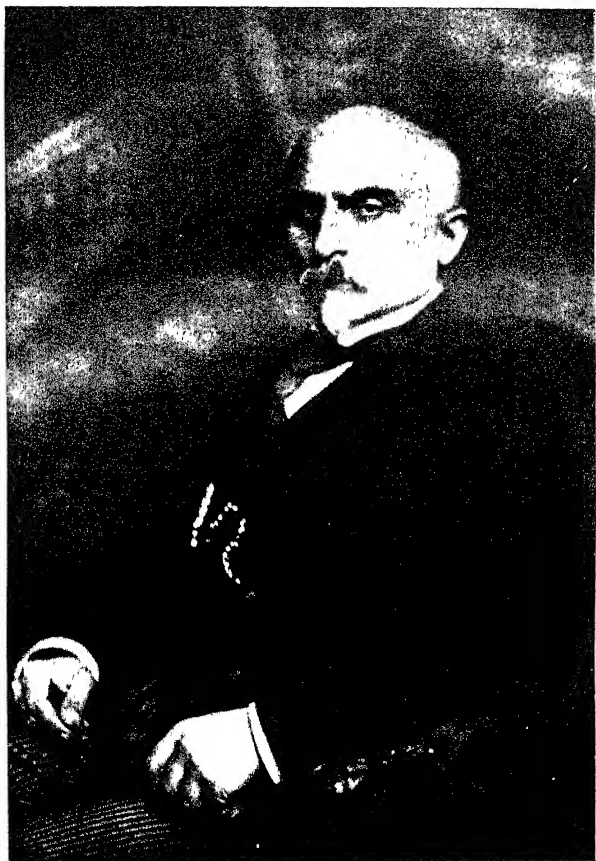
the Entente, particularly from the United States of America, in respect of credits, material and transport facilities; without this support Czechoslovakia would scarcely have been able to live through the first years after the War in comparative peace. The difficulties in connection with the food-supply did not disappear until a few years had passed, when a general improvement took place in the economic situation. The Control system formally came to an end in 1923.

In a similar way the Government had difficulties in safeguarding the economic foundations of the State. It was a question above all of increasing industrial production. Czechoslovakia had taken over the greatest part of the industry of former Austria and Hungary: of the industry of former Austria 56.8% fell to the share of Bohemia, Moravia and Silesia, whilst a considerable part of the industry of former Hungary fell to the share of Slovakia and Carpathian Ruthenia. Czechoslovakia received 92% of the total sugar production of Austria-Hungary, 92% of the glass production, 87% of the malt production, 75% of the cotton industry, and almost the entire production of porcelain. The disintegration of the Monarchy led, of course, to important changes in Czechoslovak industry. Before the War this industry could count on a home market in a territory with a population of more than 50,000,000 inhabitants, whereas after the War it lost about two thirds of this market

owing to the erection of Customs barriers. Hence Czechoslovakia became an exporting country, for 70% of its industrial production depends on foreign exports. This unavoidable change in Czechoslovak industry was not effected without difficulties; they arose in connection with the supply of raw materials, the fluctuation of foreign currencies, and the question of transport, and there was further the danger of social unrest.

Political independence had to be supplemented by economic independence. If Czechoslovakia wished to carry out its own economic policy, it had to erect a Customs barrier for the State territory and have its own currency. The Customs separation from the lands of former Austria-Hungary was effected in February 1919, and soon afterwards the Czechoslovak currency was established in place of the Austro-Hungarian currency. All the measures connected with the beginnings of the Czechoslovak currency and State finances are inseparably bound up with the name of Dr. Alois Rašín, the first Czechoslovak Finance Minister. A fearless organizer of the Czech resistance to Austria, he became after the national revolution an extremely energetic worker in the cause of economic independence. At a time when the economic system was completely dislocated Rašín endeavoured to have order in the State finances and currency regarded as the basic problem of the State administration, and in order to carry out his

clear financial plan he obtained from the National Assembly almost dictatorial powers; he followed with invincible persistence the execution of his plan and he overcame every difficulty. The Austro-Hungarian currency, which had been taken over by the Czechoslovak State at the time of the national revolution, was already considerably depreciated by the war inflation of paper circulation, but the depreciation continued further when the Austro-Hungarian Bank daily printed, despite the protest of Czechoslovakia, millions of new banknotes. Therefore in the first months of the existence of the Republic (25. II. 1919), Dr. Rašín carried through the separation from the Austrian currency; he withdrew from circulation part of the banknotes and prohibited the issue of new paper money without legal cover. The special capital levy, which was intended to improve the Czechoslovak currency and later was introduced by law, was a part of Rašín's plan. The influence of Rašín caused stress to be laid from the outset in Czechoslovakia upon the importance for the entire economic system of a sound currency, and the attention paid to the currency was the deciding factor in the financial and economic policy of the State. This necessitated, of course, energetic measures and no small sacrifices on the part of all classes of the population, since this entire policy was dependent on the continuous hard work and self-sacrifice of all classes; Rašín's watchword



*Dr. Alois Rašín,
the first Minister of Finance.*

« Work and Save », which sounded so hard during the first joyful days of the newly acquired freedom, gradually became the universal maxim in the economic and State life of the Republic. Such were the predisposing causes of Czechoslovakia's successful financial and economic development which became evident in the succeeding years.

If in consequence of Rašín's authority in financial policy the greatest importance was attached to the question of the currency, the remaining tasks of the financial administration were not any easier, and no less energy was required in order to deal with them in an adequate manner. Apart from the great tasks of organization connected with the building up of the State financial administration, it was necessary to compile the first State budget and to secure the first credit in order that it might be balanced, to see to the obtaining of a foreign loan for the importation of raw materials and foodstuffs and to meet the expenses for all the urgent State requirements connected with the establishment of an independent State and with the demands which in the post-War period were made on every State (the building up of an army, the reconstruction of the railways, the adjustment of the salaries of the State employees and teachers, the reducing of the prices of food, welfare work on behalf of the unemployed and war victims, support of the house-building

movement, etc.). It is obvious that not even the extraordinarily energetic Rašín nor his immediate successors at the Ministry of Finance could cause the State Budget to be balanced. Unforeseen expenditure (e. g., that on the war in Slovakia) and the categorical demands of the post-War period thwarted the endeavours of the first Czechoslovak Finance Ministers; budgetary deficits running into millions of Czechoslovak crowns and the immense sums paid out apart from the Budget were characteristic of the condition of the State finances in the first years of the existence of the Republic. A number of years had to pass before the Finance Minister succeeded in introducing equilibrium into the State Budget; this was effected in consequence of the universal consolidation of conditions in the Republic.

The first years of the Republic did not pass without the direct intervention of the State power in the economic life of the country; in some directions this was inevitable, for the very foundations of economic enterprise had to be restored. But the Government also considerably contributed to the consolidation of economic life by maintaining order in the chaotic conditions and thus facilitating a peaceful development towards a better future. The State revolution in Prague and the Czech lands generally was carried out without bloodshed and with such a small degree of violence that it resembled a demonstration rather than a

revolutionary explosion. The maintenance of good order was the rule during the actual period of the national revolution, and the Government adopted this watchword as the State maxim. It did so with the knowledge that the maintenance of good order would facilitate its administrative work and at the same time would afford the best proof to the outside world that the Czechoslovak people were worthy of possessing a State of their own. This was the purport also of the messages of advice which came to Czechoslovakia from abroad.

Forming thus a correct estimate of the situation, the National Committee laid down in the first law of October 28th that for the time being all the existing laws and government offices would be retained "in order that confusion should not arise and that the transition to the new State life should be effected without disturbance". The new State had the great advantage of possessing a sufficient number of trained officials who kept the entire administrative machine in running order by remaining in their places and subordinating themselves with obvious devotion to the new State authority. In the lower ranks of officials scarcely any changes were made under the new régime. The newly established government offices and ministries were staffed without difficulty by Czech officials who prior to the national revolution had served in the government offices at Vienna or by other specialists who placed their services at

the disposition of the new State. In Slovakia conditions were, of course, much worse: there were no Slovak government officials whatever with a Slovak national consciousness. Hence the Magyar officials who did not wish to serve the Czechoslovak State had to be replaced mainly by Czechs who in the most difficult part of the transition period introduced into the administration the spirit of justice towards all classes of the population and by reason of their self-sacrificing endeavours rendered inestimable services to the national revival of Slovakia. But the unavoidable changes in the administration of Slovakia produced some unfavourable results for the public life in the part of the Republic and were one of the obstacles to the consolidation of Slovak political conditions.

Although the level of the administrative personnel in the new State was maintained, there was a decline after the War in the respect shown towards officials and the State authority generally. The War destroyed many old values, and men who had been through the horrors and sufferings of the War returned home with other views regarding the organization of the world than those with which they had left for the Front. The World War everywhere brought the ideals of democracy into prominence and radicalized all the thoughts of men.

In the Czech lands democracy had been the aim of the national endeavours since the time of the

national revival, and every realization of democratic principles in public life had been rightly regarded by the people as a national success. The happy result of the War presented the opportunity for the programme of democracy to be carried out in its entirety.

It was therefore a foregone conclusion, both among the masses and also their political leaders, that Czechoslovakia would be a democratic republic and that the effort to build up a model democratic State where social justice should reign would animate all the laws establishing the political character of the country. These laws consisted of a provisional Constitution which declared Czechoslovakia to be a democratic republic with a President at the head, a law for the abolition of titles of nobility, and the Municipal Elections Act which was passed at the beginning of 1919. This far-reaching reform abolished the political privileges of property and sex, against which a vain struggle had been conducted for long decades in the Habsburg Monarchy. It showed what direction the other political reforms would take in the municipal councils; now the right to elect members for the municipal councils in Czechoslovakia is possessed by all citizens (of both sexes) who have attained the age of 21 and have resided for at least three months in the municipality.

The radical democratization of the municipal administration soon made itself apparent through-

out the whole of political life. The municipal elections were held under the new regulations in the spring of 1919 (June 15th). At that time the Socialist wave was still advancing all over Europe, and consequently the Socialist parties, in Czechoslovakia also, gained a great victory at the elections. The evident sliding of political forces towards the Left furnished the proof that the composition of the National Assembly no longer corresponded to the respective strengths of the parties in the new State. This increased the tension which had existed in Parliament, from the very outset, between the Bourgeois bloc and the Socialist bloc; and as the National Assembly could not be dissolved until it had completed its work as a Constituent Assembly, the crisis was overcome by a change of Ministers (July 8th, 1919).

The second Cabinet—generally called the Red-Green Coalition—was composed mostly of representatives of the two strongest political parties, the Socialists (eight members) and the Agrarians (four members); the Ministry also included two Slovaks and Dr. Beneš, the Minister of Foreign Affairs, who stood outside the parties. The National Democrats remained outside the Government, as also did the Clericals who had had a representative in the Kramář Ministry. The Prime Minister, Vlastimil Tusar, was one of the leaders of the Social Democrats; he had acquired in his last post—that of diplomatic representative of

Czechoslovakia at Vienna—the art of negotiating and of bringing about indispensable compromises. The majority of the members of the first Ministry again held portfolios in the Tusar Cabinet, and the programme of the new Government was a continuation of that of its predecessor. It was concerned with the problems, still unsolved, that had arisen at the beginning of the new State, and they presented themselves in a form that was even sharper than before. The predominantly Socialist character of the Government and the growing influence of the Labour movement afford the explanation of the fact that the Ministerial programme accentuated the democratic nature of the Republic and also its social problems.

The solution of social questions had been urgent since the establishment of the Republic. On the cessation of hostilities all the countries of Europe had been obliged to regulate the threatening problems of social misery and oppression which were felt more sharply than ever before; their suppression without further delay was essential in that troubled period. The joy and enthusiasm caused by the recovery of national liberty helped in Czechoslovakia, during the first days, to check the social revolutionary agitation, but in this country it was impossible to delay for long the realization of social reforms. The social composition of the Czechoslovak people—the fairly close bond between the upper classes and the working

classes—national tradition and historical development caused the Czechoslovak Republic to follow a categorical social policy which was accepted, even by the Conservative parties, not only as a system of precautions against revolutionary explosions but also, more or less, as a matter of social justice.

One of the most remarkable social laws passed during the first period was the Eight Hours Day Act which came into operation on January 13th, 1919; thanks to this law, Czechoslovakia was the first State that caused to enter the domain of realities the desideratum which subsequently became the programme of international social policy in the spirit of the Peace Treaties. Other texts of great social importance, such as the law on relief for unemployment, had been necessitated, from the first months of the existence of the new State, by the difficult economic situation after the War, at the time when thousands of workers were re-assembling their homes and were unable to find employment on account of the disorganization of production; this provision of relief was later replaced (1925) by a permanent organization of remedies for unemployment, with the application of the so-called Ghent system. To the period of the first Ministry belongs also the re-organization of the sickness insurance scheme which was provided with a definitive legal statute in 1924. The social legislation includes further the protection of te-



Václav Klobuč,
first Minister of National Defence



nants and an entire series of laws concerning the housing shortage which is an urgent question particularly in the large towns; these laws endeavour to reduce the housing shortage through subventions for new buildings. Legislation of this character was inaugurated as far back as 1918, and several enactments of this type are still in force. Naturally the Tusar Cabinet likewise followed the policy of instituting social legislation. At this time, in particular, the State made grants towards the relief of disabled ex-soldiers and of the dependents of the men who died for their country; nearly 500,000 persons were still receiving relief on January 1st 1927 (originally more than 700,000).

All these important social measures were insufficient to calm the agitation which prevailed, immediately after the War, among the masses of the population. The rise of the Socialist movement in Eastern Europe had awakened the desire for a readjustment of social conditions so as to bring about, at least in part, the realization of Socialist economic principles. After the War the project was conceived of effecting this transformation under the form of a nationalization of certain branches of economic life, such as mines, foundries and large landed estates.

As in the neighbouring countries, so also in Czechoslovakia nationalization and economic democratization had become the slogans of the

Socialist parties. The special agrarian situation in Czechoslovakia brought to the forefront demands for the nationalization of the land; it is in this direction that nationalization was first realized. The abolition of the large landed estates and a better distribution of landed property had long been, in the Czech provinces, part of the Czech national aspirations. The unfavourable distribution of landed property, together with its evil consequences, dated far back into the past, and to a certain extent was connected with the fall of the Czech national State in the 17th century; all the elements of the question, economic, social and national alike, appeared when the solution of this question materialized in the independent State. The situation was similar in Slovakia. The nationalization of the land had to satisfy historical justice, fulfil the desires of the poor land-workers, and put an end to emigration. The question was ripe for solution when all the parties, particularly the Socialists and the Agrarians, had agreed upon a compromise. Thus was made the first law which became the basis of the entire Land Reform, the so-called Land Expropriation Act (April 16th, 1919); all the big landed estates in Czechoslovakia that contained more than 150 hectares of arable land or 250 hectares of any kind were declared to be in a state of expropriation.

This general law met to a certain extent the requirements of the movement for the nationaliz-

ation of the land, and was the starting-point for the later legislation instituted by the Tusar Cabinet. In the autumn of 1919 the National Land Office was established for the purpose of applying the Land Reform in its entirety, and a decision was arrived at regarding the distribution of the expropriated land and the compensation to be paid to the former owners; by way of concession to the Socialist point of view it was arranged that the expropriated estates could be redistributed to co-operative societies, but otherwise it was the Agrarian standpoint regarding the Land Reform that triumphed. The Land Reform laws passed in a revolutionary period have become in the course of the later development the foundation of a big work of economic democracy, but the attempts at nationalization in the sphere of industrial production have not been successful; the situation here was more complex and the penetration of the Socialist system of production into the capitalist economy was more difficult. Nevertheless, even in this sphere, the Red-Green Coalition passed several laws that form an important manifestation of the efforts of the period towards economic democratization. Such are the laws establishing in the mines the workers' councils of the undertaking and of the mining district, and the participation of the miners in the administration of the mines and in the profits (1920). These laws, which were applied only to one branch of pro-

duction, the mines, opened the way to general laws. A law of this character, and of general application, was promulgated in 1921: that instituting workers' committees in profit-earning undertakings; up to the present no further advance has been made in this direction.

The crowning of the efforts tending towards the institution in Czechoslovakia of a democratic régime was the elaboration of the Constitution in the period of the Tusar Ministry. This was the work of the Revolutionary National Assembly, that is to say, without the participation of the Germans. After long deliberations and numerous compromises between the different parties, the Czechoslovak Constitution was voted by the Constituent Assembly shortly before it was dissolved (29th February, 1920). The Constitution is entirely imbued with the democratic spirit: Czechoslovakia is a parliamentary republic. The legislative power is exercised by a National Assembly composed of a House of Deputies and a Senate, the members of which are elected by universal, direct and secret suffrage with the application of the principle of proportional representation (for the Senate the age-limit of eligibility was raised by four years); at the head of the State there is a president elected by the National Assembly and endowed with considerable prerogatives which make his constitutional position something different from a purely representative one. In spite of

the non-participation of the national minorities which were not yet reconciled to the existence of the Czechoslovak State, the first Legislative Assembly did not reduce their natural rights: all the obligations contained in the treaty concluded on September 9th, 1919 by Czechoslovakia and the Great Powers on the subject of the protection of minorities were inscribed in the Constitution. But in its spirit and stipulations the latter guaranteed the minorities still more extensive rights.

In addition to the Constitution, a great administrative reform, that of the provincial self-government organization, was passed; the aim was to establish in the Czech provinces, as in Slovakia, a uniform administration with a division of the territory, irrespective of the ethnical boundaries, into 21 administrative regions, the *župy* (corresponding roughly to counties). In the new administrative services the bureaucratic element was to be united, in a rational collaboration, with the purely civic element, and whilst the necessary centralization was to be established, room was left for genuine self-government; the old provinces (Bohemia, Moravia, etc.) were abolished as administrative entities, but in view of their extensive tasks the *župy* could be federated in provincial unions of administrative regions. Together with the Constitution and the Land Reform, the provincial self-government organization was the most important legislative work of the revolutionary

period. The administration was here conceived in a truly modern and democratic spirit, and the fundamental administrative problem of a State composed of two different parties, and each of them forming a separate whole—the problem of centralization and autonomy—was solved with a genuine understanding of affairs. This reform, however, was not applied in its entirety; the self-government organization was put on a good footing in Slovakia in 1923, but in the historical lands the reform was continually delayed until at last (in 1927), under the influence of a new political situation, the provincial self-government organization was retransformed (Bohemia, Moravia with Silesia, Slovakia, and Carpathian Ruthenia).

This group of laws practically terminated the legislative work of the Czechoslovak national revolution. In the feverish activity necessitated by a troubled epoch a solid framework had been constructed for the public life of the country. The principles of democracy were incorporated in all the public institutions. This had been done with a sincerity and a courage that had boldly faced the difficulties which were inevitable in a State with a level of cultural life that was so little uniform. It had been accomplished with the conviction that the State, which had been restored in the name of democratic liberty, would maintain its freedom only by freedom and by a freedom which was more and more perfect.

III.

THE FIGHT FOR THE NEW EUROPE

CZECHOSLOVAKIA took the side of the Entente during the War and derived advantages from its adherence to the cause of the victors not only on the occasion of the peace negotiations but also throughout the first years after the War; in the instability of public conditions the Entente was a strong authority and helper. When in the years following the Peace Conference the former alliances entered a period of crisis, Czechoslovakia lost much of the support which had been provided for each of the former Allies by the clear grouping of international forces. There ensued a period when Czechoslovakia had to show whether she was an artificial formation and incapable of life, as her enemies asserted, or whether she was organizing, better than the pre-War political formations, that part of Central Europe which had fallen to her share as State territory. Her foreign policy afforded this proof.

In the first period it had been the task of the country's foreign policy to ensure for Czechoslovakia, which up till then had been only a vague conception of War propaganda, an international position, clearly defined frontiers, and advantageous conditions of existence, and in the further post-War chaos to defend that which had been

attained through the War at the Peace Conference. Now it fell to the lot of Czechoslovakia to take part in international politics and contribute towards the organization of the new order in Europe; Czechoslovakia had to become an active factor in the pacification and consolidation of the new conditions in Europe. In the later years the consolidation of the home conditions, especially in the economic field, effectively supported Czechoslovakia's foreign policy.

It has been to the advantage of Czechoslovakia that the control of her foreign policy has for ten years been in the same strong hands and has not changed even when the not-too-frequent changes in Government have taken place. President Masaryk and Dr. Beneš successfully directed diplomatic affairs even during the War, and under the republican régime both the President and the Foreign Minister have followed in international politics the same principles as those which benefited the Czechoslovak cause in the period of the War. This policy has been universally recognized by all the Czechoslovak political parties; the opposition which in the course of time raised its head against the foreign policy and its representatives was not an objective criticism of principles or practice. In Czechoslovakia there has simply not been any other serious conception of Czechoslovak foreign policy.

The first aim of Czechoslovak policy after the



*Vlastimil Tusar,
Prime Minister in the II. and III. Governments
of Czechoslovakia.*

end of the War was to enter, now on a new basis, into friendly relations with the neighbouring States, with which Czechoslovakia had formerly lived in a more or less close State relationship. Neither in Austria nor in Germany did the Peace Treaties become an obstacle to friendly neighbourly relations with Czechoslovakia.

The small territory (Vitorazsko and Valčicko, 104 and 82 square kilometres respectively), which the Austrian Republic had to cede to Czechoslovakia by the provisions of the Peace of Saint Germain, fortunately did not constitute an open wound such as does not usually heal up even after the course of many years; historical and ethnographical factors, moreover, made this loss more bearable. Also the renunciation of the German districts in the historical lands did not seriously affect the relations between the two neighbouring Republics; the idea that these provinces could be organically joined to the Austrian Republic was illusory, and the struggle for the self-determination of the Germans in the Czech lands was only a survival of the Austrophil tendencies of the German politicians in the Czech lands and not in any way a vital interest of the new Austrian Republic. The economic relations between the two States had been created during the centuries-old period of co-existence; they soon made themselves apparent and exerted an influence also on the political relations which now began to take a friendly

form. Being a component part of the former great political and economic complex, Czechoslovakia now also required for her peaceful development regulated relations with her neighbours. She was therefore led by her own interests to assist, as far as she was able, her Austrian neighbour to overcome its post-War difficulties. This active interest began on the occasion of the visit to Prague in January 1920 of Dr. Renner, the Austrian Chancellor, and prepared the ground for the friendly settlement of all the questions existing between the two countries. The provisional commercial treaty concluded in April 1921 was followed by a political treaty concluded at Lány in December 1921. By this treaty the two States guaranteed each other's territory, promised each other neutrality in case of war and bound themselves to allow in their respective territories no movement tending towards a disturbance of the order created by the Peace Treaties. The Lány treaty was supplemented by the Czechoslovak-Austrian arbitration treaty concluded in March 1926. Czechoslovakia's interest in the successful development of Austria was manifested most effectively in 1922 at the time of the catastrophic collapse of the Austrian currency. Czechoslovakia assisted her neighbour on that occasion with a considerable loan (500,000.000 Czechoslovak crowns) and in particular contributed to the working out and realization of the League of Nations scheme

which became the basis of the financial sanitation of Austria; in addition to an active participation in the Geneva deliberations, Czechoslovakia undertook a guarantee for 20% of an international loan of 650 million gold crowns which was offered Austria in consequence of this scheme. The successful carrying out of the financial sanitation of Austria signified a considerable step towards the pacification of Central European conditions generally, and of course a step also towards the economic reconstruction of Austria. In this connexion the commercial and economic relations between Czechoslovakia and Austria have their importance; these relations were finally adjusted by the commercial treaty of 1924. The interest of the two States in the peaceful development of economic life is shown best of all in the great extent of their commercial relations in 1927: Austria, which occupied the second place among the countries trading with Czechoslovakia, had 11.4% (to the value of 4,341,000,000 Czechoslovak crowns) of the entire turnover of Czechoslovak foreign trade.

The sole obstacle to a complete political entente between Czechoslovakia and Austria is the idea of the incorporation of the latter country with Germany — a question which, of late especially, has come to the forefront of political propaganda. Czechoslovakia categorically opposes such incorporation, seeing in it a menace to her vital inte-

rests. She considers, however, that "Anschluss" is not a specifically Austrian or German problem, nor one affecting merely Central Europe, but that it is a question of interest to Europe as a whole and ought to be settled as such.

The territory ceded to Czechoslovakia by Germany also did not occasion a lasting disagreement between the two States. Compared with the other territorial changes, the Hlučín region could not but seem a mere trifle (285 square kilometres); moreover, of the 45,000 inhabitants who now became Czechoslovak citizens only 14% were Germans. Germany never made any serious attempt to obtain the German regions in Czechoslovakia, and the reasonable policy of the Czechoslovak Government towards the German minority gave no cause for irreconcilable bitterness on the part of Germany. Thus despite the fact that at the Peace Conference Czechoslovakia was in the opposite camp (by reason of her armies of legionaries abroad she was really in the opposite camp during the War), the inter-State relations of the two new republics were entirely correct from the very outset. The questions connected with the taking over of the Hlučín district (1920) were settled without difficulty, as was the case also with the conclusion of the economic agreement which was so necessary in view of the close relations of the two countries; in the trading relations of Czechoslovakia, Germany occupied in 1927 the first place

with 22.6% (valued at 8.601,000.000 Czechoslovak crowns) of the entire turnover.

The peaceful adjustment of the frontiers and the speedy linking up of friendly relations between Czechoslovakia and Germany threw into contrast the long-drawn-out dispute between Czechoslovakia and Poland. The settlement of the dispute over the Těšín (Teschen) district, which had been part of the old State of Bohemia, was a longer matter than the conclusion of all the Peace Treaties in which Czechoslovakia was interested. The whole course of the conflict, at first the military movements which led to the occupation of the Těšín district by the Poles and then to its recovery by the Czechs, afterwards the various fruitless attempts to arrive at a settlement and finally the excitement over the plebiscite, stirred up public opinion on both sides to such an extent that even after the question was settled by the decision of the Allies (in July 1920) there remained much bitterness which prevented an immediate rapprochement. Nevertheless at the beginning of 1921 the Czechoslovak Foreign Minister took the initiative in working for friendly co-operation with Poland, and in the same year negotiations were conducted for the conclusion of a commercial treaty and a political treaty between the two States; also these relations were further developed at the time of the negotiations at Geneva in the following year and during the conference of the Little

Entente in Prague. But this successful beginning of a rapprochement was held up for several years by the dispute over Javorina, a small district which is important particularly from the tourist traffic point of view and which was claimed by the Poles in connection with the carrying out of the frontier delimitation. The Czechoslovak-Polish treaty was not ratified; the party interests of home politics exploited this really subordinate question of a detail in frontier delimitation and threatened for a time to thwart the serious endeavours of the responsible statesmen to arrive at a genuine peace between the two neighbouring States. It was not until the dispute had been settled by recourse to the Permanent Court of International Justice in the spring of 1924 that an opportunity was presented for a continuation of the work that had been started three years before. The political rapprochement of Poland and Czechoslovakia was completed in the spring of 1925 (23. IV. 1925) by the signing of a treaty of arbitration.

Time and the goodwill of the leading statesmen brought about an adjustment of the relations, at first so strained, between Poland and Czechoslovakia, but the southern frontier of Czechoslovakia adjoining Hungary has remained the cause of a lasting disagreement which has been the source of constant difficulties. Hungary has not reconciled herself to the state of affairs created by the Peace Treaties and has placed herself in

opposition to the new order in Central Europe; the ruling classes of old Hungary have remained in power in the new State and the territorial losses of Hungary have affected very painfully precisely these classes. In the unstable conditions of the first few years after the War attempts were made to overturn the new order by means of force, in as far as it appeared that this method would achieve the end; since then Hungary has employed more peaceful methods, but remains equally unreconciled. It is only in Hungary that the idea of a restoration of the Habsburgs has remained a political force; whilst in Czechoslovakia the question of the old dynasty was settled by the proclamation of the Republic and in Austria the Socialist régime has kept the remaining adherents of the Habsburgs out of power, the Magyar Legitimists combined, in the political life of their country, the dynastic question with the idea of the territorial integrity of old Hungary, and by their attempts at a restoration of the Habsburgs they disturbed the political development of their neighbours. A restoration of the Habsburgs in a territory of the former Monarchy meant, if not a danger, at least a source of unrest for the other Succession States; this is also how the Allies have regarded a restoration of the Habsburg dynasty in Hungary. The protection of the territorial integrity of former Hungary was the political idea of the Károlyi Government when it opposed the

cession of Slovakia, and the war waged over Slovakia by the Red régime was based on the same idea. Just as the Entente intervened on the occasion of the invasion by the Red troops, so also after the liquidation of the Communist Government the Allies suppressed the Habsburg propagandist efforts in Hungary by making it clear that a restoration of the Habsburgs at Budapest would not be tolerated. The Peace of Trianon (4. VI. 1920) produced no change in the political thought and endeavours of the Magyars, for they did not consider the provisions laid down therein to be definitive and did not abandon their claims to the lost territories; they conducted a very energetic propaganda for this purpose in Slovakia.

The first steps towards the settlement of at least the most urgent questions of mutual relations were rendered ineffective by the Easter "Putsch" of the ex-Emperor Charles who had returned to Hungary and had decided to seize the government in Budapest in the last days of March, 1921. This attempt called forth the diplomatic intervention of Roumania, Yugoslavia, Italy, Czechoslovakia and also of the Entente which once more emphasized its anti-Habsburg standpoint. When, however, the Hungarian Government adopted a waiting attitude and the departure of Charles was thereby delayed, the representatives of the Little Entente threatened to take military measures in common. Thereupon the last King of Hungary



*Jan Černý,
Prime Minister in the Cabinet of Officials.*

left Hungary (5. IV. 1921), and thus the entire venture, which, was perhaps instigated abroad, was brought to nought in the course of a few days.

The atmosphere created by Charles's "Putsch" was not, of course, favourable to friendly negotiations, although these were continued. The Legitimist movement, which was greatly gaining in strength at that time, naturally prevented a rapprochement, especially when the Government itself held the view that Charles had not ceased to be King of Hungary in spite of the fact that he could not for the time being fulfil the functions of monarch. The Burgenland rising was intended to render ineffective the provisions of the Treaty of Trianon in regard to Austria and supplied a proof of the political plans in Hungary.

Six months after the Spring attempt, the ex-Emperor tried once more to effect a restoration of his power in Hungary (towards the end of October, 1921). Special weight was added to the immediate diplomatic protests by the mobilization of the military forces of Czechoslovakia and Yugoslavia; the Governments of these two States informed Budapest that they regarded the presence in Hungary of the former Hungarian King as a *casus belli*. The diplomatic intervention of the Great Entente and the Little Entente compelled the Hungarian Government to decide in favour of the internment of Charles and the exclusion from the throne of all the members of the Habs-

burg family. The insufficiently definite law on the dethronement of Charles and the abolition of the Pragmatic Sanction was passed on November 6th, 1921 by the Hungarian Parliament under diplomatic and military pressure, but it had to be supplemented by the declaration made four days later that without the permission of the Powers represented at the Conference of Ambassadors Hungary would not settle the question of the next King; this declaration by the Hungarian Government had the character of an international obligation and was registered at the League of Nations.

The enforced decision thus arrived at in regard to the dynastic question did not, of course, contribute towards the improvement of relations between Hungary and her neighbours. The death of Charles on April 1st, 1922 made the question of a restoration of the Habsburgs rather less prominent, but otherwise brought about no change in the situation. The entry of Hungary into the League of Nations (7. IX. 1922) did not ease the strain which was constantly maintained on the part of Hungary by irredentist propaganda and direct incitement on the frontiers. A turn for the better did not set in until the Hungarian Government was obliged, owing to its unsatisfactory economic and financial position, to seek a foreign loan; it was then clearly intimated to Hungary that the path towards a fulfilment of her requests

lay through an agreement with her neighbours. Therefore in 1923 the Hungarian Premier, desiring to facilitate the financial sanation of Hungary by the League of Nations, began seriously to negotiate with the representatives of the Succession States regarding an adjustment of relations. The negotiations, however, were extraordinarily protracted and the results appeared very slowly. In addition to the economic factors in the difficulty to accomplish an adjustment of relations, there was the very important political factor of the attitude of Hungary who was reluctant to enter into a genuine agreement with her neighbours, and particularly with Czechoslovakia, for she rightly feared that a favourable adjustment of commercial and economic relations would improve the political relations and thereby weaken the arguments of the leaders of the movement which was in favour of a revision of the Treaty of Trianon. The commercial treaty concluded in the spring of 1927 failed, therefore, to fulfil the hopes placed in it from the point of view of political co-operation. The nature of Hungarian political thought still continues to be shown more by the paper-money forgery affair (revealed in the winter of 1925) and the campaign, supported by Lord Rothermere, for a revision of the Treaty of Trianon than by attempts to arrive at a rapprochement with the neighbouring countries. Such an atmosphere naturally generates the most ro-

mantic hopes of a restoration of Greater Hungary, but it does not further the sober work of Central European consolidation.

With Roumania, her easternmost neighbour, Czechoslovakia has had no differences of opinion; the question of frontier delimitation caused no serious difficulties, and mutual relations naturally developed in a friendly manner. In old Hungary the nation-conscious Slovaks joined forces with the Rumanians in a common struggle for national liberty, and under the changed conditions after the War their common interests remained. Czechoslovakia and Rumania had common interests in the disintegration of the Habsburg Monarchy and in the maintenance of the territorial distribution made by the Peace Treaties; both States were equally threatened by the danger of a restoration of the Habsburgs.

The Kingdom of the Serbs, Croats and Slovenes was in a similar position. The Czechoslovak people had long had feelings of genuine friendship towards this Slavonic State, and during the War this friendship produced splendid results. Hence from time to time the two nations acted in common in certain questions. The Peace Conference at Paris presented an opportunity for this, particularly on the occasion of the negotiations for the Treaty of Trianon, Roumania, Czechoslovakia and the Serb-Croat-Slovene Kingdom acted in common on that occasion both with regard to

Hungary and to the Allies. The defence against Hungary constituted a common bond between the three States and thus gave rise to the formation of an alliance of the States that had come into being in consequence of the disintegration of Austrian-Hungary.

This negative factor of defence was not the only reason for the formation of the Little Entente. During the World War, Masaryk, the leader of the Czechoslovak national revolution, devised plans for the adjustment, after the War, of the mutual relations between the emancipated nations and for the replacement of the old political system of Central Europe: the New Europe was to be organized on the territories of the defeated monarchies. Similar programs for new federations and alliances adapted to the requirements of the time appeared also elsewhere (Take Jonsescu), but the realization of these ideas proved more difficult than was expected at the beginning; at the very moment when the national States were being established there were more mutual conflicts than had been anticipated, and these had to be removed before the way could be made clear for friendly co-operation.

The Czechoslovak Foreign Minister observed very soon the need for a defensive alliance against Hungary, and owing to the fact that Czechoslovakia had no disagreements either with Yugoslavia or Roumania, he endeavoured, after the end

of 1918, to convince Belgrade and Bucharest of the advantages that lay in an alliance of this kind. The more active monarchist reaction in Germany and elsewhere (in the spring of 1920) and Hungary's offer to the Entente of her services against the Bolshevik armies during the Russo-Polish war accelerated the diplomatic negotiations between the Prague and Belgrade Cabinets. In the summer of 1920 (14. VIII.) Dr. Beneš negotiated at Belgrade a defensive alliance between Czechoslovakia and Yugoslavia by which each contracting party bound itself to assist the other in the event of an unprovoked attack by Hungary. The Bucharest Government also considered itself bound to assist one or other of these friendly States in the event of a Hungarian attack but did not at that time sign a formal agreement. The designation "Little Entente" now began to be used for this new political group, in which Roumania was for the time being only a passive partner; at first the words were employed in an ironical sense but soon they came to have as real a significance as the formation itself.

The alliance proved its value in the spring of 1921 during the first "Putsch" of the ex-Emperor Charles, and the diplomatic success obtained induced Rumania to conclude with Czechoslovakia a formal treaty (23. IV. 1921) which was on the same lines as the August treaty. This series of treaties was completed in the summer of the same

year (7. V. 1921) by a treaty between Rumania and Yugoslavia which, in addition to the Treaty of Trianon, guarantees the carrying out of the peace conditions by the Bulgarians.

In the succeeding years the treaty system of the Little Entente was further consolidated and steadily assumed a greater international importance. The original object of the Little Entente was merely to protect the post-War régime in Central Europe and to facilitate common action in all questions concerning Central European order; the regular conferences of the Foreign Ministers of the Little Entente became an excellent organ of common action. But in the course of time the Little Entente outgrew its original defensive purpose. The consolidation of peace in Central Europe necessarily came largely to depend on the fact that the basic questions of the foreign relations of the States forming the Little Entente were settled in a friendly manner by the three responsible statesmen concerned, for the combined territories of the three States cover an area greater than that of former Austria-Hungary and their populations exceed 40,000,000 inhabitants. The Little Entente's goodwill towards peace and its active efforts for co-operation in economic and political life naturally produced a beneficial effect on all the neighbouring countries and diminished the disadvantages which arose from the disintegration of the great economic area formed by the Habsburg

Monarchy. Thus the Little Entente gradually became a powerful factor of European stability, and in the future will continue to be so in an even greater degree wherever goodwill is shown towards a similar peaceful co-operation.

Good relations between Czechoslovakia and several of the Great Powers preceded such with her immediate neighbours; her remarkable origin during the War and the recognition of the Czechoslovak State by the Great Powers before it was proclaimed in Prague demonstrate this fact with sufficient clearness. In the course of time as the united front of the Allies from the period of the War and the interest of the Great Powers in the new order in Central Europe began to weaken, the friendly attitude of the Great Powers towards Czechoslovakia began to decrease in intensity. Throughout the entire decade the friendliness of the relations of Great Britain and especially of France towards Czechoslovakia has remained undiminished. A positive proof of close political friendship with France was provided by the political treaty for the defense of their common interests (25. I. 1924). This treaty merely crystallized the existing political friendship between the two States; for Czechoslovakia — and for the entire Little Entente — it signified, of course, a wider support in Europe, while France desired to contribute towards a partial consolidation of the guarantees of European peace at least within the



*Dr. Eduard Beneš,
Minister of Foreign Affairs, and Prime Minister in the
V. Government of Czechoslovakia.*

framework of the regional treaties. Just as France had previously helped Czechoslovakia in the field of international relations, so now the alliance became the basis of the collaboration of Czechoslovakia in the settlement of the problem of the guarantees of European security and led to the participation of Czechoslovakia in the Locarno negotiations, in the framework of which the alliance with France was consolidated on a wider basis by a guarantee treaty.

The Locarno Agreement solved the relation of Czechoslovakia towards Germany; the Locarno Treaty includes in addition to three other arbitration treaties also a treaty between Germany and Czechoslovak guarantee treaty. Participation in relations between the two neighbouring States acquired a political character; at the same time it is a significant fact that the treaty was concluded in connexion with the adjustment of the attitude of Germany towards France and that Germany on the same occasion took cognisance of the Franco-Czechoslovak guarantee treaty. Participation at the Locarno negotiations brought Czechoslovakia among the participants in the Kellogg Pact, by which the United States demonstrated its desire to take part in the solution of the peace problem. Italy during the War gave considerable support to the Czechoslovak revolutionary movement. The new Central Europe which arose from the Peace Treaties and certain of its urgent quest-

ions — such as, e. g., the restoration of the Habsburgs — held the attention of Italy as well as of the Succession States. In the first years after the War there was a complete agreement in international policy between Czechoslovakia and Italy. Later, in particular after the inauguration of a new regime in Italy, a change took place, caused in the first place by the relations between Italy and the Kingdom of the Serbs, Croats and Slovenes, and by a tendency on the part of Italy to prevent the formation in Central Europe of a close grouping of States which would be — as it appears to that country — a copy of the old Monarchy. But since these discords issued rather from a diversity of conception than from conflict of interests, it was found possible to base the relations between Czechoslovakia and Italy upon a pact of friendship and cordial collaboration, concluded on the 26th of May 1923.

Russia has become for Czechoslovakia — as also for the majority of European States — an unsolved problem; by reason of its special political and economic system Soviet Russia was in the first years a threat to the West and so far has not been fully incorporated in the European State and economic system. The old Russophil traditions in Czechoslovakia acquired after the War a double form; on the one hand Soviet Russia was sharply denounced by the Conservative elements and a demand was made for an intervention against the

Soviet system of government or at least for the isolation of the Soviet Union, whilst on the other hand the Czechoslovak Communists identified themselves completely with the ideals of Bolshevism. The course of the official foreign policy was not deflected by either of these extreme views, but followed the line of seeking the best way of satisfying Czechoslovak interests, especially in the economic field. An opportunity for this was provided by the Genoa Conference, one of the chief aims of which was the economic reconstruction of Russia in conjunction with that of Europe. From the negotiations at Genoa there arose for the time being a commercial treaty (5. VI. 1922) which laid down, in addition to other essential matters, the regulations for commercial relations between the two States. This treaty became the basis of Czechoslovakia's attitude towards Russia; owing to the economic decline of Russia, commercial relations have not, of course, developed in a particularly profitable manner. So far Czechoslovakia has not accorded Russia juridical recognition. This has been one of the few foreign questions in which the Czechoslovak political parties have shown a lively interest; it became a subject of dispute and consequently the Czechoslovak Foreign Ministry was unwilling to render unsettled the internal political conditions by the question of the recognition of Russia; moreover the Foreign Ministry regarded

this as being merely a formal act. The return of Russia into the comity of European nations is an open question for Czechoslovakia as also for the rest of the world.

An effective instrument for the post-War consolidation of Europe has been the institution of international conferences convoked from time to time for the purpose of settling definite questions, and particularly the institution of the League of Nations. Czechoslovakia was aware of the importance of participation in these international collective actions and therefore has endeavoured to make her influence fully felt in them. From the outset Czechoslovakia has realized in her foreign policy the ideas and methods followed by the League of Nations — indeed the entire Central European policy of Czechoslovakia is nothing else than an endeavour to spread the spirit of Locarno throughout Central Europe — and consequently has been able to consider her collaboration with the League as an obvious element in her foreign activity. This collaboration has manifested itself by intensive work in all the committees and institutions of the League to which Czechoslovakia has been invited, and particularly by the initiative and activity of the Czechoslovak Foreign Minister who for several years was a member of the Council of the League; Czechoslovak representatives have been found wherever it was possible, apart from their functions as State delegates, to make use of their expert

knowledge and capacity for continuous hard work. Thanks to this, the name of Czechoslovakia has been connected with the most characteristic actions of the League of Nations. This is true especially as regards the Geneva Protocol of 1924 which endeavoured to solve the problem of the safeguarding of world peace on the widest basis.

Czechoslovakia has laboured devotedly and sincerely for the cause of the League of Nations. She has done so with the conviction that by working to the full extent of her power for the preservation of European peace and security, she is creating the strongest guarantee also for her own existence and development; she has done so further with the conviction that if Czechoslovak policy is to be correct and successful, it must be guided by world considerations. By acting thus, Czechoslovakia has only followed the advice of her leaders from Palacký to Masaryk who, whilst their country was still under the yoke, saw that the future of their nation lay in its capacity to undertake the duties of world citizenship.

IV.

TOWARDS DEMOCRACY

WHEN the second Government had laid the Constitutional and administrative foundations of the young State, it carried out in the spring of 1920 the first elections to the House of Deputies and to the Senate (April 18th and 25th, 1920); with these elections the first and revolutionary period of the State life of Czechoslovakia came to a close.

The Constitution laid down that the number of Deputies and Senators should be 300 and 150 respectively. But the parliamentary elections were not held throughout the entire territory — a decision had not yet been reached concerning the Těšín (Teschen) district, a part of Carpathian Ruthenia was still in the hands of the Roumanians, and no elections were held on the territory ceded by Austria and Germany. Thus 281 Deputies and 142 Senators were elected, and later there were added 4 Deputies representing the legionaries who at the time of the general elections were for the most part still in Siberia. Altogether 23 political parties took part in the elections (11 Czechoslovak parties, 7 German parties, 4 Magyar and Magyar-German parties and the Jewish party, some of which, e. g. the Jewish party, secured no seats owing to the small poll they obtained). The Czechoslovak parties secured 199 seats (68.6% of the total number

of votes), the Germans 72 (25.6%), and the Magyars 10 (4.5%). The number of Socialist Deputies was 139 as compared with the 146 Bourgeois Deputies of the various parties and nationalities. This political distribution did not find application, however, either on the occasion of the formation of the new Government or in Parliament. The Germans both of the Bourgeois and Socialist parties took up a sharply negative attitude towards the Czechoslovak State which they regarded as being merely the result of violent action and a transitional formation, and continued to hold this view throughout the period of the first elected National Assembly and indeed later. Although the actual relations of the Bourgeois elements in the German minority became much more friendly and co-operation in all branches became closer year by year, the negative attitude of the Germans towards the State signified a political loss, for they were a minority representing nearly one quarter of the population and a great economic and cultural force. In consequence of the refusal of the Germans to co-operate in the further building up of the State, some kind of coalition of the Czechoslovak parties was unavoidable and this had to take over the government in the Republic.

As a result of the elections, the Socialists and the Agrarians, who were the strongest of the Czechoslovak parties, obtained the leadership in the administration of the State; in the Czech camp

50.6% of the votes belonged to the Socialist parties and 49.4% to the Bourgeois parties. The previous Prime Minister, Tusar, formed the new Government (25. V. 1920) from Socialists and Agrarians; really he reconstructed his first Government. The portfolios of Finance and Foreign Affairs were taken by non-party experts.

Immediately after the constitution of the National Assembly (27. V. 1920) President Masaryk submitted himself to a new election at a combined meeting of the two Houses of Parliament; he was elected by 284 votes out of 411, the German candidate obtaining 61 votes.

The programme of the new Government was again concerned with the practical needs of economic and State life, as was the case during the existence of the first Tusar Cabinet; the main emphasis was laid upon the necessity for order so that the democratic and social development at home could be realized without any interruption, and upon the absolute need for peace abroad.

The position of the Tusar Government in Parliament was very difficult, for it was opposed by a united front of the national minorities. This opposition, in which the Germans were the most numerous element, sometimes became so sharp as to constitute an obstruction. Moreover, the German opposition was a difficulty not only for the Tusar Government. All the Czechoslovak Governments had to deal with it right up to the year 1926,



*Dr. Antonín Švehla,
Prime Minister in the VI, VII, and IX, Governments
of Czechoslovakia*

when certain of the German groups agreed to cooperate with the Government majority; subsequently the Germans entered the Government. The Cusar Government was frequently opposed also by the Czech Bourgeois parties, and in the Government Agrarian party itself there was a strong wing which on principle did not approve of the Red-Green Coalition. The Government could safely rely only on 144 votes (out of 281), so that its majority was a very insignificant one. With this majority the Government of Workers and Peasants ruled the Republic in the most difficult period of its history. But for its work it had a powerful support.

This support consisted in the authority of President Masaryk which in the first period of the Republic, the period of general upheaval and confusion, was unlimited. As a thinker and guide of the national life, Masaryk had, even before the War, a greater influence upon the thought of his nation than any other of the political leaders. The successes of his work of national emancipation extended his power over the whole of the nation; the devoted adherents of the fearless philosopher were now joined by the enthusiastic admirers of the man of action and the hero, for during the War in particular Masaryk had come to be regarded in this light by the masses of the population. The Czechoslovak legionaries abroad and all the people at home saw in him the leader who could be safely

followed. This confidence of the masses, especially of the organized workers, in the Head of the State was at that time a very valuable asset for every Government.

The return to the Republic of the leader of the victorious Czechoslovak legionaries had been awaited as an assurance of safety in the midst of the difficult conditions of government. None of the home politicians possessed as wide a mental horizon, as great a degree of statesmanlike wisdom and as much practical political experience as were brought by the first President from his journeys abroad, when he organized during the War the Czechoslovak armies and gained the support of the leading statesman for the independence of his nation. He alone possessed at that time sufficient authority to control the leaders of the mutually antagonistic parties and hold them together in a Coalition Government; a coalition of the Conservative and Radical elements, so necessary for the consolidation of the Republic, was not regarded at that time as being an obvious necessity nor was it dictated by the mere interests of the parties. Owing to the authority of the President Czechoslovak policy followed the definite line of pacification through the regulation of the revolutionary movement and not through opposing or suppressing it. This was apparently quite a simple maxim but it was difficult to carry it into effect in a revolutionary period, and in none of the new States was

it carried out so consistently and successfully as in Czechoslovakia. Through his authority the President led the parties on the Right and — an equally difficult task — the politicians of the Left to accept the maxim of democratic development and the peaceful methods of agreement. In this way he saved the Republic from the worst shocks at the time of its greatest weakness.

President Masaryk has remained an authority and central figure in Czechoslovak political life not only because he has been Head of the State uninterruptedly since 1918 — an exception is made in his case by the Constitution, for he can be repeatedly re-elected to his office — but also because in every Government he has constantly followed the same fundamental political principles; he has always given the direction towards further development with principles and watchwords which have been put into effect in Czechoslovak political life only in the course of time.

The method of democratic co-operation which the President indicated in Czechoslovak political life met with many obstacles, some of which lay in the political development of the Czechoslovak people. Up to the national revolution of October 1918, the attitude of the Czechoslovak people towards the State, i. e., towards the Austrian State, was negative on principle. The interests of the State, owing to its German orientation, did not coincide with the national interests, and since the

governing power was not in Czech hands, the Czech lands could make national demands but could not fulfil them, for that was the affair of the Government. This method of political procedure was used in the Austrian Parliament for whole decades and it produced in the population an attitude of constant opposition which remained even after the national revolution when conditions had radically changed and the government, the power and the entire responsibility had passed into Czechoslovak hands. Thus it came about that the Czechoslovak Governments have been obliged to reckon more with a spirit of opposition in their own ranks and with extreme demands made by their own adherents than with the opposition of those who would be bold enough to undertake the responsibilities of governing the country.

Such were the difficulties not merely of the first Governments but also of all the Governments in the first years of the existence of the Republic. Oppositionists did not become statesmen overnight. In order to be a political leader it sufficed as a rule to be a good agitator. In the Czechoslovak nation there were not enough men with a sufficient practical knowledge of the State administration in the higher branches. Also there was as great a lack in Czechoslovakia of real statesmen as in any other European State. The choice of leading politicians was not very extensive, and thus the same individuals were always re-appearing on

the political stage; this also applied elsewhere. The disadvantage of Czechoslovakia lay in the fact that being a new State it did not possess what the older States had, namely a smooth-running State machine and real State traditions. These had to be formed; but first it was necessary to carry through the transition from State-negation to positive participation, from the Guardian-State to the Democratic Republic, i. e., to a republic with very radical laws and institutions. The high level of education of the population, particularly in the Czech lands, was a real guarantee that the democratic Constitution would not remain merely on paper, but time was necessary before the former Austrian subjects could become true Czechoslovak republicans. These were the difficulties of a democracy that was in process of formation, and the new State could not avoid them.

The greatest difficulties, however, of the Tusar Government were those caused by the Social Democrat party itself. The latter had gained an extraordinary victory at the elections with one quarter of the entire number of seats (this party secured 74 seats in the House of Deputies and 41 in the Senate); in view of the large number of political parties in the Republic this success was something quite unusual, and in the following elections these figures were not reached by any party. The very advanced stage of industrialization of the Czech lands, the homogeneous character of the Czecho-

slovak nation and its absence of sharply-defined class distinctions, and the very advanced political thought of the higher social elements provided the natural conditions for the development of socialism. But the extraordinary growth of all the Socialist parties in the Republic was connected also with the post War increase of the Socialist movement in the whole of Eastern and Central Europe and with the universal radicalization of the masses generally. This radicalization had its roots in the increased class-consciousness of the masses and also in the extreme dissatisfaction with post-War poverty. Socialism was regarded as a panacea for all the ills of the War and of the post-War period and therefore in the April elections not only the organized industrial workers in the Czech lands voted for the Socialist parties but also the backward classes of the poverty-stricken population in the Slovak regions.

It is obvious that a party which had increased so rapidly could not remain united with a single programme. The party contained disciplined members who saw in participation in the control of the State and in social reforms a convenient means for a gradual realization of Socialist principles in the State and in economic life, and also Radicals who were not satisfied with democratic methods of political struggle and in accordance with the Russian model proclaimed the necessity for the immediate establishment of the Dictatorship of the Proletariat.

Both these tendencies existed in the Czechoslovak Social Democrat party from the very beginning of the Republic and struggled against each other within the party for predominance. The radical pro-Bolshevik wing came under the direct influence of Soviet Russia which it regarded as its practical model; from Soviet Russia came also the chief agitators for a dictatorship, whether of a Czech or non-Czech origin. The strengthening of this maximalist tendency was furthered not only by skilful propaganda but also by the unfavourable home situation which still showed no real signs of improvement; moreover the course of political events in some of the neighbouring countries raised the hopes of the extremists. Difficulties increased, people became more impatient, and the Left wing of the Social Democrat party steadily grew stronger. Instead of being the disciplined body that it was before the War, the Social Democrat party, although strong numerically, was torn by internal dissensions. The party leaders desired to preserve the unity of the party even at the price of concessions to the extremists, for they rightly saw that success depended upon size of membership. The responsible leaders lost their hold especially when (in the beginning of 1920) the Communist wing of the party became strongly organized and started to conduct an extensive campaign against the coalition policy of the party. It was no longer a question merely of the continuance of the

party in the Government, for the Left wing desired to bring about the adherence of the party to the Moscow Third International; this would have meant, of course, an end of democracy and Constitutional parliamentarism, the principles which now guided Social Democracy. Thus after nearly two years of active work on the building up of the State the Czechoslovak Social Democrat party found itself in a sharp crisis. Also sooner or later, the Social Democrats in other countries suffered a similar crisis in as far as they took over the reins of government; after the War the crisis of Socialism was a universal phenomenon.

The crisis in Czechoslovakia culminated in the autumn of 1920, when the Left wing threatened to dominate the congress convoked for the end of September and thereby also the entire party, and to announce their adherence to the Moscow International. Then at last the party leaders decided to expel from the party the upholders of Communist principles. Convinced that they were representing only a section of the party, the Social Democrat Ministers resolved to leave the Government. They did so also in order to be able to work within the party and to purge it of undesirable elements; at the congress the leaders then postponed the struggle over the party until a more convenient time (the end of November).

The crisis in the Czechoslovak Social Democrat party brought about a Government crisis which



*Dr. Karel Engliš,
Minister of Finance*

could not be overcome by means of the customary alternation of parties; the disintegration of the party shook the very foundations of parliamentary government. The Czech parties that were not represented in the Government could not with their 55 seats outweigh the 74 Social Democrats, even if they had wished to take over the responsibility at that critical time; moreover it was not in accordance with the existing line of Czechoslovak policy that an essentially Socialist Government should be replaced suddenly by one of a Bourgeois character at a time when Socialism was passing through a crisis.

Recourse was therefore had to an extraordinary means, that of a non-parliamentary Government: the President nominated to the post of Premier Dr. Černý, the head of the Moravian territorial administration, whilst the other portfolios — except that of the Ministry of Foreign Affairs — were taken by high officials and by experts (15. IX. 1920). Until there was a clearing up of the home political conditions this Cabinet of Officials had to carry on urgent State business according to the programme of the last Government. In Parliament all the Czech parties supported the new Government by providing it with the necessary majority which included also a considerable section of the Social Democrats. The intermediary between the Government and the political parties was a Committee of Five consisting of the leaders of

the Czech Constitutional parties (Social Democrats, National Socialists, National Democrats, Agrarians and Clericals). This Committee undertook the task of reconciling the various party interests in accordance with the needs of the State; moreover it remained the leading organ of parliamentary life also during the period of office of the succeeding Cabinets. In the course of time the Committee of Five considerably outgrew the role of a mere parliamentary intermediary, and became the leading political organ. Hence it gave cause to sharp criticism on the part of the oppositional parties which rightly observed in the fact of its existence the weaknesses of Constitutional and parliamentary life in the Republic generally.

The final split in the Social Democrat party took place at the beginning of the term of office of the Cabinet of Officials. The struggle between the two fractions for the party funds was accompanied by the proclamation of a general strike and by an attempt of pro-Communist workers to seize the State power (December 1920). In about three days this attempt and the strike completely failed. The cause of the failure was due partly to the weakness of the revolutionary movement among the workers and to the incapacity of the revolutionary leaders and partly to the increased strength of the State authority which was now sufficiently strong to protect energetically the new juridical order and to resist successfully the revol-

utionary methods of political struggle in Czechoslovakia.

The rapid liquidation of the attempt to make a *coup d'état* constituted to a certain extent a landmark in the development of internal policy and an end of the unrest which up to that time had been the bane of party politics in the Republic. Czechoslovak Social Democracy retained after the split a large section of the older trained workers and the cadres of the trade unions and political organizations; again in possession of a united programme, the party was capable with these adherents of taking a positive part in the State administration and of undertaking further organizing work for the recovery of the lost positions among the mass of the workers. On the other hand the Communist fraction had seceded from the party in the autumn of 1920 as the independent Left of Social Democracy, and it was not until after some months of skilful manoeuvring amongst the proletarian masses that it finally proclaimed its adherence to Moscow (in the spring of 1921) as the Czech section of the Czechoslovak Communist party; in the autumn of 1921 the German section amalgamated with the Czech section. Thus was formed in Czechoslovakia a united Communist party which now combined all the nationalities. According to its programme it supported the cause of the Third International, but ideologically and materially it was independent of Moscow. The

split in the ranks of the Socialists was complete; it manifested itself not only in the political organizations but also in the remaining undertakings. Masses of workers together with 27 Deputies and 7 Senators went over to the Communist camp. The Socialist movement in the Republic was weakened, however, still further by the loss of political power, for the Communists adopted an extremely negative standpoint not only in Parliament but also towards Social Democracy. The decline in the political importance of Socialism manifested itself in the reduced tempo of the realization of the social reforms which had been in the programme of the national revolution and of the first Governments.

The Cabinet of Officials set before itself more modest aims. It tightened the State authority and introduced strict order into all branches of the State administration. There still remained much to be done in this direction and two years of work under unfavourable circumstances in a disturbed period did not make good that which had been destroyed by four years of devastating warfare. It was a question above all of the State finances and of the partial liquidation of the State system of economic control which was connected therewith. It was still impossible to reckon on a radical reduction of the State expenditure, for money had still to be paid for the establishment of the Republic or for adjusting the post-War inequalities

(the salaries of the State employees); a balancing of the State budget necessitated, therefore, a large increase in taxation. The parties of the parliamentary majority gave only half-hearted support to the Government and showed some enthusiasm for its plans only if these related to something more than a mere keeping of the State machine in running order. Although the political parties had renounced the right to form a responsible Government in a period of confusion, they did not desire to allow the power of the bureaucracy to grow too strong and therefore they did not abandon the real power; moreover the Constitution required that to a considerable extent the actual power should reside with the organized political parties. The Government of Officials gave the political parties the opportunity to regroup their ranks behind the scenes and without the burdensome cares connected with the daily procedure of the State administration and to reconcile their party interests in accordance with the State needs through the agency of the Committee of Five. Hence, when after a year of energetic consolidation the Social Democrat party decided once more to take part in the Government, the Cabinet of Officials, its task accomplished, was replaced by a parliamentary régime.

The new Government (26. IX. 1921) was based on a national coalition which had been prepared by the co-operation of the Czechoslovak parties under the former régime. Dr. Beneš, who retained

his portfolio as Foreign Minister, was made Prime Minister. In addition to 5 Socialists, 3 Agrarians and 1 National Democrat, the new Cabinet contained 2 (later 3) Populists (Clericals). During the post-revolutionary period which was unfavourable to the Conservative elements, the Populists had occupied a position in the background and had maintained an attitude of circumspect opposition. By skilful tactics, however, they had gained a considerable measure of popular support, and in company with their Slovak friends they entered the first elected Parliament as a strong party with 33 seats. In addition to the parliamentary Ministers the Beneš Cabinet contained 2 officials (Home Affairs and Finance) who had been members of the preceding Government. This mixed system of government (partly of parliamentarians and partly of non-Deputies) was the idea of the President who considered that it was the most suitable for Czechoslovak conditions. The President desired the Government to be formed of experts and he carried this idea into effect more or less in the case of every Government. In this way many defects of parliamentarism were avoided, and certain important branches of the State administration were thereby directed with greater efficiency.

The Beneš Government had in Parliament 166 votes of the parties represented in the Government and in times of urgent necessity as many as

180, whilst the Opposition had 105 votes (78 votes of the national minorities and 27 Communist votes). Continuing the work of the preceding Government which undeniably had contributed to the strengthening of the juridical order, the Beneš Cabinet declared the Government programme to be the stabilization and consolidation of the State. The further building up of the State was to be accomplished in accordance with these watchwords and on the basis of Constitutional principles; all the reforms that had been started were to be carried out on the basis of these principles, and all the questions of State that still awaited settlement were to be duly dealt with. In future, economic and financial stabilization was to be the condition of social reforms. The revolutionary wave had everywhere receded, and after the heroic days of the beginnings of the Republic there set in the grey period of continuous hard work which was to safeguard the foundations of what had been started.

The repercussions of events abroad affected the work of the Beneš Government more than the previous administrations. A number of important international negotiations touched the interests of Czechoslovakia and demanded frequent visits of the Prime Minister abroad. At the very outset of the Beneš régime Czechoslovakia was disturbed by the attempt of the ex-Emperor Charles to bring about a restoration of the Habsbourg dynasty in

Hungary, and this attempt compelled the Republic to mobilize its armed forces. This extreme military measure was a clear manifestation of the determination of the Czechoslovak Government to nip in the bud any attempt that might threaten the newly-gained freedom of Czechoslovakia; at the same time the smooth course of the mobilization was a clear proof of the advanced stage of the consolidation of the State. The military organization inherited from the Habsburg Monarchy was very poor, but now there was an army which the Government could rely upon in cases of emergency. Three years of hard work had been spent on the military organization, and thanks to the efficient direction of the French Military Mission there had arisen from the ruins of the former Austro-Hungarian army, from the volunteer forces of Czechoslovak foreign legionaries, and from new recruits who belonged to the various nationalities, a united and highly-trained Czechoslovak army. The unification of these different military elements was not the only problem that the army administration authorities had to deal with. There were more serious and fundamental difficulties. These lay partly in the anti-militarist mood of the Czechoslovak people, a mood which was deliberately fostered by reaction to the militarism of the former Monarchy. After the national revolution this mood was not so strong, as can be seen from the demand for a militia and the watchword of a



*Andrej Hlinka,
Leader of the Slovak People's (Catholic) Party*

democratic army. However, just as during the War the Czech anti-militarists took up arms and formed military bodies noted for their discipline under the most difficult circumstances, so also in the new State it was possible to create an army composed of citizens of all the nationalities of Czechoslovakia (Defence Act of March, 1920). The democratic traditions of the Czechoslovak legionaries did not disappear entirely from the Czechoslovak army, for the Commander-in-Chief was President Masaryk and thanks to his wise leadership everything was preserved that was good in the celebrated volunteer armies and that was compatible with strict military duty. The successful mobilization of the autumn of 1921 was a political asset, for it showed to doubters and enemies at home and abroad that the young Republic possessed the determination and power to maintain the new order in the heart of Europe.

The trouble abroad was not the only difficulty which the Beneš Government had to face. The critical economic situation and the high cost of living called forth great social struggles, such as the general strike of the miners in February 1922 and the strike of the metal-workers two months later, and introduced unrest into the political conditions. The economic factor was not characteristic only for the period when the Beneš Cabinet was in office; it began to be strongly felt during the period of the Government of Officials.

When in the autumn of 1922 (7. X.) the Beneš Cabinet, after a year of office, was succeeded by the Švehla Government, no great changes were made in the governmental system; the national coalition again formed the support of the Government in Parliament. In the new Cabinet only a few changes were made (there were now 4 Agrarian Ministers, 7 Socialists, 2 Populists and 2 National Democrats). The Government as a whole was more representatives from the political point of view, for it now included leading politicians who a year before were still unwilling to assume full responsibility for the administration of the State. Dr. Rašín again became Cabinet Minister in order to take charge of the State finances at an important stage in the development of the Czechoslovak currency. He was not destined, however, to see the fruit of his labours, for he died at the beginning of the following year (18. II. 1923) from injuries received in consequence of a revolver attack made on his life by a young Communist.

The position of the Švehla Government in Parliament was substantially the same as that of the preceding Cabinet: the coalition of the Czechoslovak national parties was opposed by all the national minorities with the Germans at their head, by the Communists and the Slovak Populists (12 members). During the period of the Beneš Cabinet the Slovak Clericals had seceded from the common Clerical Club and from the Government Coa-

lition in consequence of the non-fulfilment of their request that Catholic grammar schools should be established in Slovakia. The new Government continued the preceding Government's programme both in its main lines and also as regards its concrete tasks: the safeguarding of the peaceful development of home affairs and the consolidation of the democratic juridical order.

Throughout the whole period of the Coalition Governments peaceful development and the juridical order depended more than at any other time on the successful solution of economic and financial questions; and these came to the forefront of the State life. The whole of Central Europe was dominated by the catastrophic currency conditions which threatened to overwhelm also Czechoslovakia which up to that time had been spared this misfortune.

The starting-point of the development of the Czechoslovak valuta had been — as is well-known — not a covered currency as was the case in the old European States, but the depreciated Austrian crown which Czechoslovakia took over from the former Monarchy. Rašín carried out the currency separation and established at the Ministry of Finance the Banking Office as the administrative centre for all matters connected with the currency; the Banking office was to carry out according to law all the functions of a central bank of issue and to pass into circulation new banknotes only when

they possessed full commercial cover. In Czechoslovakia no State notes were ever issued to cover budgetary deficits, although in the first years the Czechoslovak budget showed a deficit; this deficit was always covered by internal or external loans. These legal measures were not sufficient, of course, in themselves to enable the Czechoslovak exchange, which was independent within the Republic, to have an independent existence abroad. From the beginning the Czechoslovak crown had been in immediate connection with the German Mark. In spite of Czechoslovakia's political friendship with the West, the economic connection could not be brought about all at once; economic life continued further along its natural path. Czechoslovakia found herself within the sphere of the economic influences of Germany and Austria who extended their commercial relations with Czechoslovakia and in a considerable measure became the intermediaries in the commercial relations of the Republic with other States; the exports to the other countries passed mostly through Hamburg and Vienna. Moreover Czechoslovakia was a young State and consequently was not very well known abroad; foreign financial and commercial circles were not yet acquainted with the economic resources of Czechoslovakia and in renewing their pre-War connections they turned to the old addresses, i. e., Vienna and Berlin. Foreign countries were not yet in a posi-

tion to estimate the importance of the Czechoslovak currency reform. The result of all this was that up to November 1921 the Czechoslovak exchange went through all the fluctuations of the German Mark and the Austrian crown.

The foreign exchange of the new Czechoslovak monetary unit fell as in the States which border on Czechoslovakia and which carried out an inflation; in the winter of 1919—20 it declined from 25 to 5 Swiss centimes. The decline of the currency brought the public finances to a condition of crisis, and it was necessary at all costs to introduce order. The declining exchange made it possible, however, for Czechoslovak industry to compete on the foreign markets; it stimulated exports and brought about the great boom of 1921. The trade balance and the balance of payments at once became favourable and the State finances were brought into a condition of equilibrium. In consequence of this the currency recovered somewhat and the commercial connections became more independent; Czechoslovakia began to enter into direct trading relations with the Western European and overseas markets.

The Czechoslovak crown now ceased to be connected with the German Mark, the fall of which began in May 1921 and in September became catastrophic; the Czechoslovak exchange was now independent. The mobilization of the Czechoslovak army which was carried out on the occasion

of the autumn attempt of the ex-Emperor Charles to effect a Habsburg restoration in Hungary caused one last shock to the Czechoslovak exchange: the Czechoslovak crown fell to 5·10 Swiss centimes and became an object of speculation. However the smooth carrying out of the mobilization provided a proof of the healthy condition of the Republic and foreign countries at last realized that Czechoslovakia was a State with a favourable trade balance.

The following period (from November 1921 to the second quarter of 1923) was characterized by the rapid recovery of the Czechoslovak crown. The favourable balance of trade and payments was increased by the flight of capital from the neighbouring countries, where the currency had entirely collapsed, to the Czechoslovak crown and by foreign credits (the English State loan in May 1922 and the Prague municipal loan). The Czechoslovak crown rose for a time to over 19 Swiss centimes and became stabilized at about the level of 16 centimes. In consequence of the sharp rise of the crown there started, of course, a serious economic crisis. Czechoslovakia became one of the States which could not compete with the countries that had a depreciated valuta, and the increased buying power of the Czechoslovak crown necessarily affected the industrial situation. It seemed that the foreign trade would become entirely stagnant, but fortunately this did not occur and

the year 1922 showed a great surplus (5390 millions of Czechoslovak crowns).

The commercial crisis in Czechoslovakia led to a sharp increase in unemployment. In contrast with the neighbouring countries Czechoslovakia had not suffered up to that time from any extraordinary degree of unemployment. After the beginning of 1921 the number of unemployed had remained fixed at about 100.000 and in the second half of the year it had fallen to between 60.000 and 70.000. In January 1922, however, the number of unemployed increased with the rise of the valuta and in January 1923 reached its maximum, 441.000 (out of a total number of 1,865.000 workers engaged in industry, trade and transport). After that time there began a gradual decrease in the number of unemployed and this decrease continued in proportion as the industrial crisis caused by the increased buying power of the Czechoslovak crown was liquidated.

The crisis in production brought about in 1922 also a financial crisis, as a result of which there began a series of failures (including those of several large banks) which again led to a crisis in a number of other credit institutions. This caused a lack of confidence in joint-stock banks generally and the entire economic life entered a phase of crisis; industry lost about one and a half milliards of capital, and in addition an immense part of the ca-

pital invested in industry produced no dividends during a period of two years.

The banking crisis was accompanied by a crisis in the public finances. The sources of the State revenues weakened, for the biggest taxes fell automatically with the prices and the coming of the economic crisis, whilst the State expenditure was increased by the outlay on unemployment relief (over half a milliard annually), and the State Budget — up to and including the year 1925 — showed a considerable deficit. The deficits increased the floating State debt by several milliards to a dangerous figure, and in 1925 it was necessary, with a view to its consolidation, to seek help in an American loan. A similar crisis was experienced also in the finances of local self-government. The difficulties of the financial administration were great.

Not only the Finance Minister but also the entire Government followed attentively the movement of the exchange of the Czechoslovak crown at Zürich and later at New York; much depended upon it in the Republic. The Government felt its responsibility for the economic condition of the country and resolutely battled with all these difficulties and results of the deflation period; by legislation and administrative measures it accommodated the public finances to the changed situation. The reduction of the budget — by three milliards in 1924 from the 19 milliards in 1923 — the adjustment



*Dr. Franz Spina,
Minister of Public Works in the present Cabinet.*

of the salaries of the State employees, the support of the banking system, a reduction in taxation and all possible reliefs in other directions occupied the full attention of the Government.

Nevertheless the Švehla Government found in the midst of all these economic cares sufficient energy to prepare the way for the future development of social conditions in the Republic. For years past the workers had placed many hopes in social insurance and since the time of the Cabinet of Officials efforts had been made to prepare a parliamentary bill for this purpose. The coalition led by Švehla has the merit of having completed this great social reform after many compromises amongst the Socialist parties and the representatives of the manufacturing classes; in 1924 Parliament passed an Act for the social insurance of the workers (for sickness, disability and old age) and in the following year it passed a law for the disability and old age insurance of persons engaged in independent occupations. Irrespective of the financial effects which will reveal themselves later, the importance of this legislation is evident from the fact that the two laws affect 7,500,000 persons, if all the family members are included.

Having surmounted the serious economic crisis, the Švehla Government lived to see quieter times; the first Švehla Ministry is connected with the stabilization of the Czechoslovak currency. After

four years of great fluctuation the Czechoslovak crown was stabilized, and since the spring of 1923 it has remained within the limits permissible for currencies on a gold basis (100 Kč = 2·90-3 03 dollars). The Republic at last enjoyed the advantages of a firm financial system, and economic life was able to develop under favourable and stabilized currency conditions. The Government was now in a position to think of instituting a bank of issue on the basis of the Czechoslovak crown. The National Bank was opened in the spring of 1926, but the legal basis and the stabilization of the currency were realized in the period of the first Švehla Ministry.

Thus was completed the characteristic development of the Czechoslovak currency policy which after long and energetic work brought Czechoslovakia, which was surrounded by countries with a catastrophic inflation, to the possession of a stable monetary unity. Rašín and, after him, all the responsible leaders in Czechoslovak financial policy — whether a Socialist or a Coalition Government were in office — worked for the stabilization of the currency with methods different from those employed in Germany, Austria, Poland and Russia where the stabilization of the exchange was preceded by the ruining of entire classes of the population. Although a convinced opponent of Socialist principles, Rašín required, by this radical reform, the well-to-do classes to give up a part

of their property for the benefit of the State in order to escape the threatened economic catastrophe; from the outset the State had imposed heavy burdens on its citizens in the form of capital levy but otherwise had preserved for them the rest of their property and had not weakened their position materially or in any other way.

Owing to its long period of office and firm leadership, the Švehla Government was able to deal with all difficulties. Švehla was no longer merely the leader of the Agrarian party; during this period he had become the leader of the entire Coalition. The strength of this Prime Minister lay, of course, above all in the strength of the Agrarian party, but he knew how to direct the party in such a way that it outgrew the framework of mere party interests.

Naturally the Agrarian party and its representatives in the Government paid attention chiefly to the interests of agriculture; despite the advanced industrialization of the Republic the farmers formed a powerful class, for 39—40% of the population were engaged in agriculture (in the different parts of the country, of course, this percentage varied: 30% in Bohemia, 60% in Slovakia, etc.). Agriculture obtained systematic support from the State, and at the same time much has been done by the agricultural co-operative societies; throughout the whole period of the existence of the Republic the resources of the State and of the agri-

cultural co-operative societies have been used for the intensification of vegetable and animal production in order that the State may achieve its final purpose, that is, self-sufficiency in the feeding of the home population. Hence the improvement of the economic position of the agricultural class in the Republic has been great and many-sided.

This improvement has been assisted in an extraordinary degree by the Land Reform which in the first decade has been nearly completed in the historical lands. The results of the Land Reform bear witness to the increase of agricultural small holdings. During this period a total of 1,246,000 hectares, including 752,000 hectares of agricultural land have passed into new hands; of the agricultural land over 500 000 hectares have been divided into small holdings.

Švehla knew how to turn to political advantage the increased strength of the agricultural population and thereby raised its importance for the benefit of the entire State. Numerically the Czech Agrarian party, even in combination with the Slovak Agrarians, was not the strongest formation in the first elected National Assembly, but under the leadership of Švehla it represented a political group which was always ready to accept office. In the post-revolutionary period this was decidedly a virtue; Švehla regarded the spirit of opposition as something in the nature of a sin and led his

party into every coalition. Thus the Agrarian party gradually became the centre around which the other Czechoslovak parties grouped themselves in order to form the Government Coalitions. The special character of the party, its consolidation and true conservatism, predestined it for this task, but in order that the heterogeneous group of parties forming the Government Coalition might be held together in the Government there was need also for the skill of Švehla who had a unique gift for reconciling opposing views. It was not always easy to make the interests of so many parties converge into the common interests of the State, and that this was accomplished on the whole with so much success is due in the main to the merits of the leader of the Agrarian party. Thus in addition to the authority of the President there grew also the authority of Švehla as a statesman, and his influence has steadily been recognized more and more by all parties.

At last, however, after three years his remarkable skill in negotiation failed and the Coalition broke up before the expiry of the electoral period. The long association in the Government of very heterogeneous parties and the constant policy of compromise or postponement of disputed questions called forth tension and discontent particularly in the ranks of the parties which were accused by their radical members or competitors of excessive compliance. After 1924 one of these disputed ques-

tions was that of the duties on agricultural produce. Here were sharply opposed the interests of the Agrarian and Social Democrat parties, the latter defending the standpoint of the consumers. At first the negotiations on this problem of Customs protection were postponed to a later date, but when in the following year (1925) the proposed agricultural duties were again brought before Parliament by the Agrarians, an expedient was found in the shape of an introduction of a sliding scale of duties, and this only as an administrative measure (in June 1925). This compromise indeed held the Coalition parties together for a time, but the dissatisfied Social Democrats began to insist that the question should be submitted to the electorate. It was already evident, however, that the question of the agricultural duties was weakening the national bond in the Coalition and was creating solidarity of interests between the Czech and the German agriculturists.

The political atmosphere, already strained by these disputes, was embittered still further when on the commemoration day of Jan Hus (John Huss) the Papal Nuncio left Prague by way of protest against the celebrations in which the Government headed by the President participated. Through this act the Vatican offended deeply the feelings of the Czechoslovak people, which connects the name of the reformer Hus with the most famous period in Czechoslovak history (the Hus-

site movement). Hence there was a burst of anti-Clerical agitation and demands were made for the separation of the Church from the State, but no positive results were achieved.

The Church and religious conditions in the Republic conditions were considerably complicated. In the Czech lands during the first years after the national revolution there was an important religious movement which manifested itself in the establishment of a new Church (the Czechoslovak Church); there was further an anti-Church movement which led to a mass secession from the Roman Catholic Church. Before the War the Roman Catholic Church occupied in Austria a privileged position; its strength lay in the dynasty and the powerful aristocracy and it was the main support of the dynastic idea. After the national revolution of October 1918 the Roman Catholic Church lost in the historical lands nearly 1,300,000 members, but this great secession took place almost entirely amongst the Czech population, the Germans remaining true to Catholicism. In the eastern portion of the Republic the conditions are quite different. Amongst the population of Slovakia the Roman Catholic Church has relatively a smaller number of members than amongst the population of the historical lands (counting the entire population irrespective of differences of nationality; as far as the Czechs and the Slovaks alone are concerned, there is, of course, a larger percentage of Catho-

lics among the Slovaks than among the Czechs). But the Slovak Catholic party is aggressive and extremely irreconcilable, so that in comparison with it the Clericals in the Czech lands appear very lukewarm and ready for compromise in respect of Church and religious matters. In Slovakia, in an environment that is mostly rural, life is more patriarchal and the devout common folk regard their priests as their leaders; moreover in Slovakia there was an increase in the number of Roman Catholics. On the other hand, in the Czech lands, which are mostly industrialized, anti-Clerical watchwords were heard with ever-increasing insistence and they were made real by reason of the celebrated historical memories. In spite, however, of the prevalence of the anti-Rome feeling, at least in the western portion of the Republic, no important attempt has been made since the national revolution to adjust the relations between Church and State by legislative means. President Masaryk used to recommend the separation of the Church from the State in order that the Church, being independent of the State, might serve better and more spiritually the religious needs of its members; he wished, however, that this should be effected without a struggle between the State and the Vatican. The parties which included in their programme the separation of Church and State satisfied themselves with a mere political agitation and in no way prepared any serious plans for a settle-



*Dr. Robert Mayr-Harting,
Minister of Justice in the present Cabinet.*

ment of this involved question. The Clerical parties, which were on the defensive during the first years after the national revolution, postponed the whole question to a time that was more convenient for them, and when they had consolidated their positions they opposed separation, regarding the given state of affairs as sufficiently favourable for the Roman Catholic Church. Considerations of Slovakia, the disturbed conditions of which might have been seriously worsened by these burning questions, and of course other problems of State prevented the question of separation from being definitely brought forward by any Government. Moreover the State delayed long before it recognized the new Czechoslovak Church, although the non-settlement of the problem was only a source of difficulties for the Government. Thus the only result of the policy of the young Republic in this field has been the partial secularization of the schools, the reform of the marriage laws, the regulation of the holidays and a few other details.

The departure of the Papal Nuncio in the year 1925 did not give rise to action in favour of a separation of the Church from the State. In reply to the demonstration by the Curia the Czechoslovak Government declared that it defended the sovereignty of the State in questions of internal policy and at the same time it recalled the Czechoslovak representative from the Vatican. The Cle-

rical party did not feel itself obliged to follow the example of the Papal Nuncio, and remained in the Government; the conflict itself, having arisen from an internal political cause, was transferred to the sphere of diplomatic negotiations. Meanwhile, however, a long interval ensued in the relations between Czechoslovakia and the Vatican.

Before the National Assembly was dissolved (on October 16th) the State budget, which for the first time showed a surplus, was passed in the autumn of 1925.

The general election (15. XI. 1925) was to decide the new Government policy, but it was clear beforehand that in the new Parliament, elected in accordance with the principle of proportional representation, no party would be strong enough, either alone or in combination with a group possessing a similar programme, to form a Government. The new Parliament consisted of the representatives of 16 parties, and the coalition system again proved necessary.

The elections resulted, of course, in a considerable change in the distribution of forces as between the Socialist and the non-Socialist parties. After the stormy post-War period when radical changes were the watchwords of the day, there ensued a period when a breathing space was felt desirable before further needful reforms were attempted. In this respect the Czechoslovak elector was no different from any other European citizen

who went at that time to the ballot box. The Bourgeois parties in the Republic now obtained (1925) 60.56% of the votes and the Socialist parties 39.44%. The loss of the political influence of the Socialists in Parliament was the greater in that the Communists (41 Deputies and 20 Senators) now formed the largest Socialist party and held an absolutely negative attitude; a united front of the Socialists with the Communists in Parliament was impossible. The split which began in 1920 manifested itself in part only now, for the Czechoslovak Social Democrats, the strongest party in the preceding Parliament, were reduced to 29 Deputies and 14 Senators; the seats they lost were gained mainly by the Communists who obtained the votes of all the discontented elements and of those workers who persisted in their old radical oppositional mood. The strongest party in the National Assembly was now the Czechoslovak Agrarians who had gained a considerable number of seats (45 Deputies and 23 Senators). In comparison with the first elections substantial gains were secured also by the Czech Clericals (31 Deputies and 16 Senators) and by the Slovak Clericals, Hlinka's party (23 Deputies and 12 Senators).

On Švehla, now the leader of the largest political group in Parliament, devolved the task of forming the new Government. Owing to the fact, however, that the previous Coalition had obtained in

the elections only 146 seats out of 300 and another combination did not at that time appear feasible, the Trader's party (13 Deputies and 6 Senators) which had grown in the elections at the expense of other Bourgeois parties, was added to the existing Czechoslovak Constitutional parties; moreover the opposition of the Traders' party in the old Parliament had been more or less of a formal character. Thus was formed the new majority of the Czechoslovak parties (160 Deputies and 80 Senators), from which the new Government was made (9. XII. 1925).

In the second Švehla Ministry there was naturally a predominance of the Bourgeois parties that had won in the elections against the Socialists (9 against the 5, later 6, i. e., 4 Agrarians, 3 Clericals, 1 National Democrat and 1 Trader). In addition to the parliamentarian Ministers (15), the Švehla Cabinet contained two experts, one of whom, Professor Engliš, a prominent economist, was again enabled to give his very valuable services to the State finances.

In the programme of the new Government stress was laid on the continuity of political work with that which had been accomplished by the preceding Governments; this continuity was represented also by the number of Ministers who had passed from the preceding Cabinet into the new Government. To continue the old programme, however, became more difficult in consequence of the con-

siderable changes in the distribution of forces in the Coalition parties. Yet the relation of the Opposition to the Government, at least of some of its elements (the Slovak Clericals), was less marked than in the previous Parliament.

The greatest obstacle to the co-operation of the Coalition consisted in the renewed efforts of the Agrarians to increase the Customs protection for agricultural produce. The previous year's compromise in the form of a sliding scale of agricultural duties did not satisfy the farmers who considered that the sole satisfactory relief in the difficult situation of home agriculture lay in the introduction of fixed duties. The Socialist parties were unable to agree to the fulfilment of this demand for agricultural duties, and when Švehla relinquished the chairmanship of the Council of Ministers on account of illness, the Socialists withdrew from the Coalition Cabinet and brought about the resignation of the Government (17. III. 1926).

Owing to the fact that the Czech parties which remained after the withdrawal of the Socialists did not form a majority in Parliament and other parties were so far unwilling to enter the Government, recourse was had to a means that was not entirely new in Czechoslovak Constitutional life, namely, the appointment of a Cabinet of Officials, the members of which were taken—apart from the Foreign Minister, Dr. Beneš, who held a seat

in Parliament as Deputy—from the ranks of the State administration. The position of Prime Minister was occupied (19. III.) by Černý who in 1920-21, in a similar parliamentary crisis of the Czech Coalition parties, had been at the head of a Cabinet of Officials; the two most important portfolios, those of Foreign Affairs and Finance, remained in the hands of members of the last Švehla Government.

The withdrawal of the Socialists from the Government did not bring about on this occasion as great a crisis as that which occurred five years previously. Conditions in the State had become consolidated, so that the control of State affairs was not restricted to the narrow basis of a single Coalition. The elections had shown the possibility of new Government combinations. Seven years of common experiences had convinced a great section of the national minorities included in the Opposition that the views regarding a speedy fall of the Czechoslovak Republic were incorrect; the development of post-War conditions in Europe had disabused them of that error. Comparatively very early there had arisen in the German camp a struggle between the extremist wing which proclaimed irredentism as a national duty and the moderate wing which emphasized the necessity for practical work and piecemeal successes and aimed at the effective use of the rights of the German minority. At the centre of the German moderate

political movement was the Farmers' League (Bund der Landwirte) which cooperated with the German Traders' associations; the moderate wing of the German Christian Social party also gained the upperhand. The German Social Democrats were rather behindhand in this development, and the attempts made by the Czechs to win them over to more positive co-operation met with failure; the German Social Democrats remained under the influence of an outworn ideology and were not able to adopt the new constructive Socialist policy as quickly as the Czechoslovak Social Democrats. Before the elections of 1925 the German activists and negativists were already clearly separated. It was a characteristic fact that Dr. Lodgman, the leader of the German resistance in Bohemia in 1919 and later the apostle of irreconcilability, was not returned in 1925.

Also the Slovak Clericals under the leadership of Deputy Hlinka were already tired of the policy of opposition which they had pursued since the time of the Beneš Government. They had been agitating for Slovak autonomy and had turned sharply against the Czechs whom they accused of endeavouring to maintain a régime of centralization. This policy of the Slovak Clericals was based more on temperament than on a definite programme; the influence of their Magyar environment, which is quite different from the Czech, was still felt, and elements which were

dangerously irredentist and anti-State often made political capital from the opposition of the Slovak Clericals. The latter, however, had derived no benefit from their policy which was valueless from the point of view of the very necessary economic improvement of the country and from the standpoint of national development. The ground for the new Government Coalition was already prepared.

The Černý Cabinet was aware of its provisional character and hence restricted its efforts to the careful direction of the State administration and to the settlement of questions of immediate necessity. Unable to rely upon a safe majority, the Government lacked initiative also in the field of legislation. After the Czechoslovak Socialist parties had joined the Opposition, a new parliamentary majority was formed on the initiative of the Czechoslovak Agrarians for the introduction of fixed agricultural duties and for the adjustment of the stipends of the Roman Catholic clergy, partly on an economic basis; this majority consisted not only of all the non-Socialist and more or less Conservative, Czech parties and the Slovak Clericals, the most Conservative party in the Czechoslovak Parliament, but also the German and Magyar Agrarians in company with the German Traders (24, 12) and the German Christian Social party (13, 7). Despite very sharp opposition which even approached obstruction, this

Bourgeois Conservative Agrarian and Clerical majority passed the agricultural duties and the adjustment of the stipends of the clergy in the summer session.

Just as the break up of the Red-Green Coalition, the external expression of the Socialist split, caused a shock to the political life in the Republic, so also the disintegration of the National Coalition in the year 1926 was accompanied by several features that pointed to a crisis of political thought. The elections of 1925 brought a defeat of the nationalist parties in the Czech and German camps. Amongst the Czechs this electoral failure showed itself in the form of a Fascist reaction in the Bourgeois classes and also in the intelligentsia. Up to that time the Fascist movement in Czechoslovakia was quite insignificant, if it is possible to describe as a movement the noisy repetition of nationalist and anti-democratic watchwords by small groups of people possessing no importance from the political point of view. In the period of the second Cabinet of Officials the Fascists attempted by extremely nationalistic demagogy to win over the masses; these endeavours acquired some importance mainly in consequence of a certain amount of favour shown towards Fascism by certain of the Czech Bourgeois parties. The clumsy Fascist campaign was directed against the Castle, i. e., against the President of the Republic and the Minister of Foreign Affairs who were rightly re-

garded as the chief representatives of the idea of Czechoslovak democracy. The struggle was embittered by reason of the Gajda incident. General Gajda was Deputy-Chief of the General Staff and had formerly been Commander of the Czechoslovak and then of the Kolchak forces in Siberia, and when as a result of very serious charges brought against him he was placed on the retired list and later deprived of his rank, the Fascist movement found in him a leader who was as incapable as all the rest. The independent organization of Fascism was effected, of course, at the expense of those parties which supported it without sufficient circumspection and wished to make use of it in their struggle against Dr. Beneš and the President.

A pacification of the disturbed political conditions among the Czechs was brought about by the former Prime Minister, Švehla, who in the autumn returned from abroad restored to health and began to negotiate for the formation of a new parliamentary Government. Owing to his well-proved skill he soon succeeded in securing the results of what had been organically prepared in the summer session of Parliament; from a combination of parties which voted in common for Government bills that satisfied their party interests, he created a firm majority which was willing to take over the responsibility of government. The new Švehla Ministry (12. X. 1926) did not comprise

all the parties which in the summer had acted in common in Parliament but it had the guaranteed support of the political groups which had not decided, immediately on the formation of the Government, to send their representatives to the Cabinet (the National Democrats and the Slovak Clericals). The most characteristic feature of this Government is the active participation in it of two German parties (the Agrarian party and the Christian Social party) which hold the greater part of the German mandates in Czechoslovakia and belonged to the Government majority in Parliament in the summer; the Agrarian, Spina, was made Minister of Public Works, whilst Mayr-Harting (Christian Social party) obtained the portfolio of Justice. The German national minority accepted the entry of its politicians into the Czechoslovak Government quietly and with understanding; the elections were fought out on the German side under the influence of the watchword of activism, and at the time of Locarno and the entry of Germany into the League of Nations, the argument could no longer be brought forward that Czechoslovakia acted as a gendarme of France against Germany. The participation of the Germans in the Czechoslovak Government was rightly regarded abroad as a sign of the continuing consolidation of the State.

The disintegration of the National Coalition facilitated, therefore, the winning over of the Ger-

man minority to active work in the State, an event which President Masaryk had unceasingly declared for years past to be absolutely essential from the point of view of Czechoslovak interests. Under the new coalition a change was effected in the relations between the Opposition and the Government; the irreconcilable and entirely negative opposition of the Communists and German Nationalists was now replaced by a normal parliamentary Opposition of the Czechoslovak Socialist parties which is ready, when necessary, to undertake the responsibility for the administration of the State.

The abstinence of the Socialist parties gave the third Švehla Ministry the character of a Bourgeois Conservative Government. After the secession of seven Deputies (three Germans and four Magyars) from the German Agrarians' Club, the Government majority in Parliament dropped at the end of the year 1927 to 155 Deputies. Of the two parties which had supported the State since its formation, although they had not been represented in the Ministerial Council, the Slovak (Hlinka) Clerical party decided at the beginning of 1927 (15. I) after lengthy negotiations to send two representatives to the Cabinet. The entry into the Government of the Slovak Clerical Deputies who with the parties of the national minorities had hitherto represented the most decided opposition in the Czechoslovak Parliament, and the participation in the Cabinet of the two biggest German

parties signified the greatest asset of the Švehla Ministry. This adhesion of the Hlinka autonomists to the Government led to the disillusionment of the Magyar irredentists in Slovakia (they were now reduced to impotence) and brought about the general pacification of public affairs in Slovakia.

With the entry of the Slovak Clericals into the Government was connected the change in the reform of the public administration which became law in 1927. This new adjustment of the public administration entered into operation in Slovakia on August 1st, 1928; the local self-government (*župa*) system, which had become law in 1920 but had not been carried into effect except in Slovakia, was abandoned and a partial return was made to the territorial administration obtaining in the historical lands. Thus the territorial administrative regions (Bohemia, Moravia with Silesia, Slovakia and Carpathian Ruthenia) were re-introduced with their respective administrative bodies, that for Slovakia being, of course, a new institution. The administrative principles which had been adopted by law in the original self-government organization were maintained, but the bureaucratic influence made itself felt to a somewhat greater extent. This administrative regionalism was an endeavour to liquidate in some measure the Slovak autonomist efforts as represented by the Hlinka party. The difficulties for the Czechoslovak State of the Slovak question arose to a certain degree

from the unequal development of the eastern and western parts of the Republic. In the past these two regions had not had common experiences, and consequently they had not been able to follow a common national ideal; Czechoslovak unity was the aim of the leaders rather than the conscious desire of the masses. In the first years of the existence of the Republic attempts were made to carry out this unification on centralist lines, but there was no firm direction in this policy and the desired results were not obtained. Now, however, under the new administrative organization, an opportunity was afforded for Slovakia, on the basis of partial territorial autonomy, to become conscious of a greater degree of responsibility in public affairs and to develop further in the direction of a higher Czechoslovak unity such as had been reached by the other territorial units inhabited by the Czechoslovak nation.

During the period of the third Švehla Ministry there took place the re-election of the President, whose term of office expired in 1927. No candidate, apart from a Communist, was brought forward to contest the re-election of President Masaryk, although the open struggle of the President against Czechoslovak Fascism had created some discontent amongst certain political groups, a fact which was manifested when the votes of some of

the Coalition parties were being recorded. The existing President was re-elected by a three-fifths majority (274 votes out of 432); of the Government parties the Slovak Clericals and the National Democrats did not vote for him, but all the Socialists, even although they were in the Opposition, supported him with their votes. The Communist candidate secured 54 votes; the other opponent (if the word may be used), Fascism, was already powerless. Masaryk remained the Head of the Czechoslovak State. His third election was received at home and abroad as a guarantee that Czechoslovakia was to be guided by the same spirit as before.

The new Government considered that its duty lay in continuing the preceding policy of consolidation and also in amending some of the older laws that no longer conformed with the views of the Conservative Government. In the economic field it gathered the results of the diligent work of the preceding years. In particular the State finances showed some remarkable improvements. Such were the taxation reform which unified and reduced the direct taxes, the diminished, stabilized and favourable State budget for the year 1929 (a revenue of 9,562,000,000 Czechoslovak crowns and an expenditure of 9,535,000,000 crowns), the paying off, consolidation and conversion of the State Debt, and the appreciation of Government

stock, etc. During the last few years the general position of Czechoslovak economic life has been continuously favourable; in some branches of industry the amount of employment in 1927 and 1928 attained and even surpassed the pre-War level, the number of unemployed constantly declined (a minimum of 32,485 unemployed persons was reached in July, 1928), and the favourable balance of foreign trade showed an upward tendency. All this pointed to the sound economic foundations of the State and to the firm, purposeful leadership of financial policy which remained in the hands of Dr. Engliš.

The Švehla Government brought about the diplomatic settlement of the dispute with the Vatican regarding the Hus celebrations of 1925. At the beginning of 1928 diplomatic relations were re-established on the basis of the acceptance of the Czechoslovak standpoint and a *modus vivendi* was arrived at which laid down the principles for the settlement of certain questions of Church organization that are of great importance to Czechoslovakia, particularly in regard to Slovakia, such as, for example, the delimitation of the Church dioceses in accordance with the State frontiers, the appointing of Church dignitaries, and their oath of allegiance.

Otherwise, the home political situation was dominated by the struggle between the Government



*Monsignor Jan Šrámek,
Deputy-Premier in the present Government.*

parties and the Socialists over the question of the social insurance of the workers. The original aim of the Bourgeois Coalition to break up Socialism and abolish its burdens was very much modified under the pressure of the Opposition led by the Czechoslovak Social Democrat party, but the struggle over the drawing up of the social insurance bill created serious differences of opinion between the two camps which four years previously had acted in common in passing the Social Insurance Act. The fight grew sharper when the Prime Minister, M. Švehla, was obliged at the beginning of 1928 to withdraw from the conduct of affairs owing to serious illness; it seemed as if the principle of national and social equilibrium had slipped away from Czechoslovak political life. The aim of the Government bill was to cheapen the workers' insurance and also to weaken the influence of the Socialists. Owing to the fact, however, that there were material arguments against the original Government bill and the Government parties themselves were not united—they had in their ranks strong Labour organizations (the Czech and German Clericals)—the entire law in its final form was substantially altered in view of the stubborn opposition of the Socialists. Altogether it was no small success for the Opposition that the strength of its arguments prevailed over party prejudices. This is a method which always leads to success in

a true democracy, and it has helped Czechoslovakia to overcome all her internal difficulties since the birth of the Republic.

Ten years is a short time in the life of nations, but the past decade has been filled with as many difficulties as were generally spread over whole centuries. Czechoslovakia has virtually overcome all the difficulties which arose out of the post-War conditions and has laid firm foundations for further peaceful development. These are the foundations for energetic work in all branches of material and mental life and for all the creative forces of the nation which is responsible for the destinies of the State.

In effect, these creative forces have been employed to lay the foundations, and the Republic, during the first ten years of its existence, has done nothing beyond meet the requirements of its initial stages. And yet the work accomplished by Czechoslovakia is eminently instructive. She has provided a new proof of the fact that democracy is capable of overcoming even the greatest difficulties if it possesses leaders who have a clear aim and consciously work for it. She has suffered from all the defects of democracy which were aggravated by the fact that the young Republic had no traditions. Nevertheless she has proceeded from chaos to order, she has organized a freer life, and has thus contributed according to her strength to

the safeguarding of the world's peace. At the same time Czechoslovakia has remained faithful to the principles of democracy, avoided the temptations of dictatorship, and overcome the dangers of Communism and Fascism. The Czechoslovak nation has had the good fortune to possess leaders who have brought it by safe path to democracy.

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